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FBIS-EAS-91-175 CONTENTS *10 September 1991*

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

INTERNATIONAL AFFAIRS

- Group of 77 Asian Meeting Held in Pyongyang 1
  - Delegations Arrive for Meeting *[KCNA]* 1
  - Officials' Preliminary Meeting *[KCNA]* 1
  - Opening Ceremony Described *[YONHAP]* 1
  - DPRK Chairman Hosts Reception *[KCNA]* 1
  - UN Delegate Arrives for Meeting *[KCNA]* 1
  - Mongolian, Japanese Delegates Arrive *[KCNA]* 1
  - Participants Tour West Sea Barrage *[KCNA]* 2
  - ROK Not Invited to 'Festive Event' *[YONHAP]* 2
  - DPRK's Yon Hyong-muk Speaks *[KCNA]* 2
  - UNCTAD, Sri Lankan Delegates Speak *[KCNA]* 3
- Malaysian Minister Views NAM's Future Action *[BERNAMA]* 3

NORTHEAST ASIA

Japan

- Parties Agree Broadly on SDF Peacekeeping *[KYODO]* 4
- Yavlinskiy on Return of Disputed Islands *[KYODO]* 4
- Government Praises Yavlinskiy Remarks on Aid *[KYODO]* 5
- Government Slow in Deciding About Aid to USSR *[KYODO]* 5
  - Government To Give Trucks *[KYODO]* 6
- Hashimoto Says No G-7 Discussions on USSR Aid *[KYODO]* 6
- Hungarian Prime Minister Arrives on 4-Day Visit *[KYODO]* 6
  - Holds Meetings *[Budapest MTI]* 6
  - Talks With Kaifu Detailed *[Budapest MTI]* 7
  - 400 Million Credit Line Renewed *[KYODO]* 8
  - Antall Meets Businessmen *[Budapest MTI]* 8
  - Comments on Yugoslav Situation *[KYODO]* 9
- Kadena Rally Against Troop Transfer Planned *[RYUKYU SHIMPO 7 Sep]* 9
- Finance Minister Reports to Cabinet on Budget *[KYODO]* 10

North Korea

- Foreign Minister Greets New Baltic States *[KCNA]* 10
- Conference Discusses Nuclear-Free Zone for Korea *[KCNA]* 10
  - DPRK Delegate Reports *[Pyongyang Radio]* 11
  - Keynote Address Summarized *[KCNA]* 13
  - Report on U.S. Nuclear Arms in ROK *[KCNA]* 14
  - Delegates' Letter to Kim Il-song *[KCNA]* 15
  - Delegates Write to Kim Chong-il *[KCNA]* 15
  - U.S. Urged To Withdraw Arms From ROK *[KCNA]* 15
  - Letter to IAEA on U.S. Arms in ROK *[KCNA]* 16
- U.S. General's Remarks Called 'Arrogant' *[Pyongyang Radio]* 16
- U.S.-ROK Wartime Host Pact Called 'Criminal' *[KCNA]* 17
- ROK Group Comments on U.S. Troops, Weapons *[KCNA]* 18
- Nonaligned Document Supports Korean Reunification *[KCNA]* 18
- Foreign Leaders Send Anniversary Greetings 18
  - Gorbachev Message to Kim Il-song *[Pyongyang Radio]* 18
  - PRC Leaders' Greetings *[Pyongyang Radio]* 18

Yasir 'Arafat Sends Greetings *[KCNA]* 19
Other World Leaders Send Greetings *[KCNA]* 19
ROK Group Congratulates Kim Chong-il *[KCNA]* 20
Banquets, Other Activities Mark Anniversary *[KCNA]* 20
O Chin-u, Officials Attend Meeting *[KCNA]* 21
Korean Group in Japan Celebrates Anniversary *[KCNA]* 21
Japanese Figures Attend Reception *[KCNA]* 21
Greetings to Kim Il-song *[KCNA]* 22
Message to Kim Chong-il *[KCNA]* 22
KCNA Reviews 7 Sep Pyongyang Press 23
KCNA Reviews 9 Sep NODONG SINMUN 24
KCNA Reviews 10 Sep NODONG SINMUN 25

South Korea

Security Tightened Around U.S. Facilities *[THE KOREA HERALD 10 Sep]* 25
Two Students Arrested Outside U.S. Army Base *[YONHAP]* 26
* Trade Deficit With United States To Continue *[CHUGAN MAEKYONG 26 Jun]* 26
Attaches Assigned to USSR, Hungary, Poland *[YONHAP]* 29
USSR's Tied-Loan Purchases May Fall Short *[YONHAP]* 29
Seoul, Moscow To Sign Fisheries Pact 16 Sep *[YONHAP]* 29
Ministry Denies Receiving Deng Xiaoping Message *[THE KOREA TIMES 10 Sep]* 29
DPRK Said 'Likely To Sign' IAEA Accord *[YONHAP]* 29
DPRK Decision Called 'Major Issue' *[YONHAP]* 30
Pro-DPRK Koreans From Japan Arrive for Visit *[YONHAP]* 30
Group Sets South-North Cooperation Fund Budget *[YONHAP]* 30
Labor Activist Sentenced to Life Imprisonment *[YONHAP]* 30
Illegal U.S., Foreign Workers Deported *[YONHAP]* 31
No Tae-u Orders Government Expenditures Reduced *[THE KOREA HERALD 10 Sep]* 31
Government To Lower Economic Growth Rate *[YONHAP]* 31
Opposition Parties 'Officially' Declare Merger *[YONHAP]* 32
Ruling Party Competition for Presidency Viewed *[SINDONG-A Jul]* 32

SOUTHEAST ASIA

Burma

Myo Nyunt Meets Party Representatives *[Rangoon TV]* 40
Major Countries' 'Incorrect Attitude' Criticized *[Rangoon Radio]* 41
NLD Representative Vacates Seat in Taungtha *[Rangoon Radio]* 41
Ministers, Others View Irrawaddy Flood Damage *[Rangoon TV]* 42
SLORC Forms Relief Committee *[Rangoon Radio]* 42
Drug Control Activities, Seizures Reported *[Rangoon TV]* 43
Border Area Drug Suppression Discussed With Laos *[Rangoon Radio]* 43
Saw Maung Leads Delegation on Visit to PRC *[cross-reference]* 43

Brunei, Malaysia, & Singapore

Malaysia

Deputy Prime Minister Ghafar Ends Trade Mission 43
Grant Given Iran *[Kuala Lumpur International]* 43
'Satisfied' With Outcome *[BERNAMA]* 44
More Military Installations on Spratlys Planned *[NEW STRAITS TIMES 1 Sep]* 44
Minister Briefs Newsmen on Nonaligned Meeting *[Kuala Lumpur International]* 44
Prime Minister Hails Ties Among ASEAN Members *[Kuala Lumpur Radio]* 44
Singapore Election Results Mandate With 'Twist' *[NEW STRAITS TIMES 2 Sep]* 45
Mahathir Stresses Reaching 'Developed' Status *[Kuala Lumpur International]* 45
Sarawak State Election Set for 27-28 Sep *[Kuala Lumpur International]* 46
Tin Output Declines in First Six Months of 1991 *[Kuala Lumpur Radio]* 46

Singapore

Goh on Opposition's Communal Tactics in Elections *[THE STRAITS TIMES 2 Sep]* 46
Opposition Member on Loyal, Decisive Leadership *[THE STRAITS TIMES 2 Sep]* 47

Cambodia

Deputy Foreign Minister Denies 'Genocide' Demand *[Bangkok BANGKOK POST 10 Sep]* 48
SRV National Day, Revolution Anniversary Marked 48
    Leaders Greet Counterparts *[SPK]* 48
    Bou Thang Sends Message *[Phnom Penh Radio]* 48
    Kandal Amity Group Meets *[Phnom Penh Radio]* 48
Lao Party-State Control Group Delegates Arrive *[Phnom Penh Radio]* 49
    Meet Kong Korm *[Phnom Penh Radio]* 49
    Visit Kandal Province *[Phnom Penh Radio]* 49
Suspension of Gold, Gem Stone Trade Detailed *[SPK]* 50
Jiang Zemin-Sihanouk 7 Sep Meeting Noted *[Radio VODK]* 50

Laos

Front Session Ends, Phoumi Vongvichit Resigns *[Vientiane Radio]* 50
National Conference on 1991 Control Work Opens *[KPL]* 51
Phoumi Vongvichit Meets Japanese Buddhist Group *[KPL]* 51
Border Talks With PRC End 29 Aug in Vientiane *[KPL]* 51
Joint Lao-Thai Military Committees Meet 5 Sep *[Vientiane Radio]* 51
Army Propaganda-Training Group Ends SRV Visit *[Vientiane Radio]* 51
Vietnamese National Day Commemoration Marked 52
    Rally Held in Vientiane *[Vientiane Radio]* 52
    Phao Bounnaphon Interviewed *[Vientiane Radio]* 53
    PASASON Carries Editorial *[Vientiane Radio]* 54
SRV Trade Representative Interviewed on Ties *[Vientiane Radio]* 55
Leaders Give Thanks for Congratulatory Messages 56
    Kaysone Phomvihan Writes Gorbachev *[Vientiane Radio]* 56
    Message to SRV Counterparts *[Vientiane Radio]* 56
Castro Sends Greetings Messages to Leaders *[KPL]* 56
Leaders Greet DPRK Counterparts on National Day *[KPL]* 56
Leaders Send Sympathy to Cambodian Flood Victims *[KPL]* 56

Philippines

Reportage on Bases Treaty Issues Continues 57
    Referendum Resolution Filed *[Quezon City Radio]* 57
    Vote 'Technically Nonbinding' *[Manila Radio]* 57
    Aquino, Laurel Hold Meeting *[MANILA BULLETIN 10 Sep]* 57
    Laurel Expresses 'Concern' *[Manila Radio]* 58
    Possible Outcome, Effects Viewed *[PHILIPPINES NEWSDAY 10 Sep]* 58
    Antibases Senators Urged To Resign *[Manila Radio]* 59
    Mitra Warns Against Disruption *[MANILA BULLETIN 10 Sep]* 59
    House Speaker's 'Silence' Viewed *[MALAYA 9 Sep]* 59
    '25,000 Muslims' To Attend Rally *[Manila Radio]* 60
    Text of Muslims' Declaration *[Quezon City Radio]* 60
    Aquino Urges Rally for Treaty *[Manila Radio]* 61
    Police on 'Red Alert' Status *[Manila Radio]* 61
    Spokesman: Military Not on Alert *[Manila Radio]* 61
    Aquino Speaks to Pro-Bases Rally *[Manila Radio]* 61
    Nonconcurrence Resolution Text *[PHILIPPINES NEWSDAY 10 Sep]* 63
    Aquino Submits Two Compromises *[Quezon City Radio]* 64
    Abadia Expresses Disappointment *[Manila Radio]* 64
    Drilon: Treaty May Be Ratified *[Quezon City Radio]* 64
    Garcia Files Restraining Order *[Quezon City Radio]* 65
    Senators Conduct Caucus 10 Sep *[Quezon City Radio]* 65

    Student Leader Condemns Bombing *[Manila Radio]* 65
Ramos Says If Elected, 'New Deal' for Mindanao *[THE CHRONICLE 9 Sep]* 66
Military Deputy Chief of Staff Retires Early *[Manila Radio]* 66
Aquino Approves Abadia's Reconciliation Efforts *[Manila Radio]* 66
    Released Rebel Lieutenants Pledge Allegiance *[Manila Radio]* 67
Rebel Generals Laud Release of Junior Officers *[Manila Radio]* 67
Court Orders Release of Former Communist Leader *[PHILIPPINE NEWSDAY 31 Aug]* 67
Military Ordered To Review Anti-NPA Operation *[Quezon City Radio]* 67
NPA Rebels Threaten To Bomb Geothermal Plant *[Manila Radio]* 67
Progress of Operation Against NPA Rebels Noted *[Quezon City Radio]* 68
Cabinet Cluster E Okays Peace Talks in 13 Areas *[PHILIPPINES NEWSDAY 6 Sep]* 68
Military Stops Offensive in Thirteen Provinces *[Quezon City Radio]* 68
NPA Requests Cease-Fire in Northern Luzon *[MANILA BULLLETIN 9 Sep]* 68
17 Rebel Officers, Men 'Provisionally Freed' *[AFP]* 69
De Villa Views Peace, Reconcilation Program *[MANILA BULLETIN 9 Sep]* 69
Orbos Warns of Economic Recession, Deterioration *[MALAYA 5 Sep]* 69
U.S. Envoy, Drilon Sign Communications Compact *[Manila Radio]* 70
Export Processing Zones Fail To Draw Investors *[MALAYA 3 Sep]* 70
WB Pressure To Increase Power Prices Resisted *[MALAYA 9 Sep]* 70
Senate Approves Bill for 30-Year Logging Ban *[Manila Radio]* 71
Investment Protection Pact Planned With ROK *[PHILIPPINE DAILY INQUIRER 4 Sep]* 71
Indonesia Warns Protest Plan May Ruin Relations *[Manila Radio]* 72

Thailand

Anan Comments on U.S. Bases Treaty Issue *[Bangkok Radio]* 72
Official on Aviation Rights Talks With U.S. *[Radio VOFA]* 72
Army Chief Leaves for Official Tour Abroad *[Bangkok TV]* 72
Border Police Sent To Repel Burmese Troops *[BANGKOK POST 10 Sep]* 73
Police To Launch Crackdown on Cambodian 'Bandits' *[THE NATION 7 Sep]* 73
Malaysian Intentions in Spratlys Viewed *[THE NATION 6 Sep]* 73
Paper Examines Suchinda Lawsuit, Illegal Logging *[THE NATION 7 Sep]* 74
Issues Related to Electoral System Discussed 75
    Air Force Leader Cited *[BANGKOK POST 6 Sep]* 75
    Party Leader's Remarks Noted *[BANGKOK POST 8 Sep]* 75
    Need for Direct Election Seen *[THE NATION 8 Sep]* 76
    Party-Slate System Reviewed *[THE NATION 8 Sep]* 78
Article Summarizes Five-Year Seventh Plan *[BANGKOK POST 9 Sep]* 79

Vietnam

U.S. Senator Kerry Interview on MIAs, Embargo *[Hanoi Radio]* 81
    VNA Cites Kerry Views 81
Foreign Minister Sends Message to Baltic States *[Hanoi Radio]* 81
Activities Held To Celebrate DPRK National Day 82
    Leaders Send Greetings to DPRK *[Hanoi Radio]* 82
    DPRK Envoy Hosts Reception *[VNA]* 82
    Hai Hung Mass Meeting Held *[VNA]* 82
Japan-Vietnam Cultural Relations Promoted *[VNA]* 82
European Community Holds Seminar in Hanoi *[Hanoi Radio]* 82
International Institute of Commerce Team Visits *[Hanoi Radio]* 83
Car Assembly Plant Launched With Philippines *[AFP]* 83
THUONG MAI Reviews Foreign Investment *[Hanoi Radio]* 83

AUSTRALASIA

Australia

Hawke on 'Constructively' Engaging Bush on Visit *[Melbourne International]* 84
Minister To Protest EC Wheat Subsidy in Europe *[AFP]* 84
Foreign Delegation Accuses PRC of Rights Abuse *[AFP]* 84
    Evans, Schacht Comment *[Melbourne International]* 85

Kurdish Hostages in Turkey Reportedly Well *[AFP]* 86
Bank Cuts Rates To Aid Economic Recovery *[AFP]* 86
Possibility of Mexico's APEC Membership Viewed *[AFP]* 86

Fiji

Prime Minister Defends Oil Import Decision *[AFP]* 86

Vanuatu

New Prime Minister Appoints Cabinet 7 Sep *[Melbourne International]* 87
  Discusses Administration's Priorities *[Melbourne International]* 87

Group of 77 Asian Meeting Held in Pyongyang

Delegations Arrive for Meeting

SK0709053991 Pyongyang KCNA in English 0450 GMT 7 Sep 91

[Text] Pyongyang September 7 (KCNA)—Foreign delegations and delegates arrived here Friday to participate in the 7th Asian ministerial meeting of the Group of 77 to be held in Korea.

They are from Afghanistan, Bahrain, Bangladesh, Cambodia (Supreme National Council), Cyprus, India, Indonesia, Iran, Iraq, Jordan, Laos, Lebanon, Malaysia, Nepal, Oman, Palestine, Pakistan, the Philippines, Sri Lanka, Thailand, Vietnam and Yugoslavia and from South Korea.

A Chinese delegation arrived here Friday to participate in the meeting as a special guest.

Earlier, a Singaporean delegation arrived.

Officials' Preliminary Meeting

SK0709104291 Pyongyang KCNA in English 1021 GMT 7 Sep 91

[Text] Pyongyang September 7 (KCNA)—A two-day senior officials' meeting of the 7th Asian Ministerial Meeting of the Group of 77 opened at the People's Palace of Culture here today.

The meeting was attended by delegates of international organizations and foreign delegations and delegates to the 7th Asian Ministerial Meeting.

Kim Tal-hyon, vice-premier of the Democratic People's Republic of Korea, made a congratulatory speech at the meeting.

Then, chairman of the meeting was elected.

The meeting will discuss a Pyongyang declaration, a provisional report and an action program for economic cooperation among the developing countries to be recommended to the Asian Ministerial Meeting and procedural matters for the preparation of the ministerial meeting.

Opening Ceremony Described

SK1009032591 Seoul YONHAP in English 0134 GMT 10 Sep 91

[Text] Pyongyang, Sept. 10 (OANA-YONHAP)—The seventh ministerial meeting of the Asian Group of the Group of 77 opened Tuesday in the North Korean capital with 30 member nations attending.

At the opening ceremony was South Korean Vice Foreign Minister Yu Chong-ha, who leads the first Seoul government delegation to an international conference in North Korea since Korean division in 1945.

North Korean Prime Minister Yon Hyong-muk gave a speech welcoming participants to the three-day conference and welcoming remarks were made by Asian Group chairman W. Rasaputram, the Sri Lankan ambassador to Geneva.

Ministerial negotiations were scheduled for 2 P.M. at the People's Cultural Palace. There were two days of senior officials meetings Sept. 7-8.

The Asian Group is meeting in preparation for a session of the United Nations Conference on Trade and Development (UNCTAD) next February in Colombia.

The regional members will coordinate their opinions and try to draw up consensus among developing countries.

Yon is to host a reception Tuesday evening, raising the possibility of a meeting with Yu.

DPRK Chairman Hosts Reception

SK0809081691 Pyongyang KCNA in English 0759 GMT 8 Sep 91

[Text] Pyongyang September 8 (KCNA)—The chairman of the senior officials' meeting of the 7th Asian Ministerial Meeting of the Group of 77 arranged a reception at the Koryo Hotel in Pyongyang Saturday [7 September] on the opening of the meeting.

Invited to the reception were delegations and delegates to the senior officials' meeting.

Vice-Premier Kim Tal-hyon and officials concerned were present there.

The reception proceeded in a friendly atmosphere.

UN Delegate Arrives for Meeting

SK1009062591 Pyongyang KCNA in English 0528 GMT 10 Sep 91

[Text] Pyongyang September 10 (KCNA)—Carlos Fortin, deputy secretary general of the United Nations Conference on Trade and Development, arrived here Monday to participate in the seventh Asian ministerial meeting of the Group of 77.

The guest was met at the airport by Song Hui-chol, vice-minister of foreign trade.

Mongolian, Japanese Delegates Arrive

SK0809082091 Pyongyang KCNA in English 0800 GMT 8 Sep 91

[Text] Pyongyang September 8 (KCNA)—A Mongolian delegation arrived here Saturday [7 September] to participate in the 7th Asian Ministerial Meeting of the Group of 77 to be held in the DPRK.

Earlier, a delegation of the U.N. Conference on Trade and Development came here.

An Aichi prefectural friendship delegation led by Chuji Kuno, former chairman of the Dietmen's League for the Promotion of Japan-Korea Friendship and chairman of the Aichi Prefectural People's Council for the Promotion of the Japan-DPRK Diplomatic Relations, and a delegation of the Otta District, Tokyo Metropolis, Dietmen's League for the Promotion of Japan-Korea Friendship arrived here Saturday.

Participants Tour West Sea Barrage

SK1009072991 Pyongyang KCNA in English 0552 GMT 10 Sep 91

[Text] Pyongyang September 10 (KCNA)—Participants in the 7th Asian ministerial meeting of the Group of 77 visited the West Sea barrage on September 9.

Hearing an explanation that the Korean people and People's Army soldiers under the wise leadership of the Workers' Party of Korea built the West Sea barrage as a grand monumental edifice by damming off 8 kilometres of rough sea, highly displaying the revolutionary spirit of self-reliance and hard struggle, the guests mounted the observation platform and commanded a bird's-eye-view of the barrage and the gigantic man-made lake.

They also visited the Taean heavy machine complex and the Chongsan cooperative farm.

ROK Not Invited to 'Festive Event'

SK0909131591 Seoul YONHAP in English 1306 GMT 9 Sep 91

[Text] Seoul, Sept. 9 (YONHAP)—Vice Foreign Minister Yu Chong-ha arrived in Pyongyang on Monday afternoon to lead the South Korean delegation in the ministerial meeting of the Asian group of the Group of 77 [G-77], reports from the delegation reaching here said.

Yu left Beijing and arrived at Pyongyang's Sunan Airport at 1:40 P.M. He reported his arrival at the organizing committee of the meeting in his visit to the People's Cultural Palace later in the day.

The South Korean delegation was singled out in being denied invitation to a festive event held at the palace in the evening in commemoration of the establishment on Sept. 9, 1948, of the North Korean Government.

A North Korean official said the North Korean side did not invite the South Koreans because it judged that the South Koreans would never accept the invitation in view of the fact that Seoul has not recognized Pyongyang.

DPRK's Yon Hyong-muk Speaks

SK1009072391 Pyongyang KCNA in English 0559 GMT 10 Sep 91

[Text] Pyongyang September 10 (KCNA)—Yon Hyong-muk, premier of the Administration Council of the DPRK, made a congratulatory speech at the seventh Asian ministerial meeting os the Group of 77 which opened at the Mansudae Assembly Hall here today.

He said the seventh Asian ministerial meeting of the Group of 77 is entrusted with an important mission to review the past work and work out a common strategy of the developing countries to establish an equitable international economic order on the basis of an analysis and assessment of the problems in the present international economic relations and their impact on developing countries, Asian countries in particular.

Contradiction and inequality have not yet been eradicated and relations of domination and subjugation are seen as a universal phenomenon still now in the international economic relations today, the speaker noted, and went on:

The unreasonable order in the international economic relations and the present-day reality in which the world economy is being further reduced to a monopolistic possession of the big multi-national businesses are laying grave obstacles to the efforts of the developing nations for development.

The gap between the developed and developing countries in the domain of economic development is rather widening than narrowing, thus daily broadening the gap between the rich and the poor, between the North and the South.

This shows that unless the unreasonable order and structural contradiction in the international economic relations are settled at an early date, it is impossible for the developing countries to attain economic progress and, furthermore, it is difficult for them to maintain their political independence.

If the Asian developing nations are to consolidate their country's political independence and achieve economic prosperity, it is necessary, above all, to reorganize the unequitable international economic system and establish a new equitable international economic order.

Asian and all other developing nations should approach negotiations for a fair solution to problems in the international economic relations with a common strategy while firmly uniting politically and strengthening mutual cooperation in the economic fields.

To develop South-South cooperation is an important task facing the developing countries, he said, adding:

We consider that when the peoples of developing countries push ahead with the building of an independent national economy and further develop South-South cooperation on the principle of national and collective self-reliance they can increase their capabilities of countermeasures and negotiations with the North and renovate the order governing the international economic relations to meet their aim of growth and development.

When the industrious and talented Asian nations unite with one another and strengthen their cooperation on the principle of independence, equality and mutual benefits, security and common prosperity of Asia will be attained at an earlier date.

The DPRK Government sets store by friendly relations with the peoples of other Asian countries and will make all efforts to strengthen and develop many-sided cooperation and exchange with them in the political, economic and cultural domains.

UNCTAD, Sri Lankan Delegates Speak

SK1009110891 Pyongyang KCNA in English 1034 GMT 10 Sep 91

[Text] Pyongyang September 10 (KCNA)—The seventh Asian Ministerial Meeting of the Group of 77 opened at the Mansudae Assembly Hall here today.

The meeting is of importance in working out a common strategy of the developing countries for solving the problems arising in the present international economic relations and establishing a fair international economic order.

It was participated in by delegations and delegates from countries and regions, delegates of international organizations and foreign diplomatic envoys in Korea.

Premier Yon Hyon-muk and Vice-Premier Kim Tal-hyon of the DPRK Administration Council were present.

The opening address was followed by Yon Hyong-muk's congratulatory speech.

Then speech was made by Carlos Fortin, deputy secretary general of the United Nations Conference on Trade and Development [UNCTAD].

He said that the problems confronting the developing countries have not yet been dispelled.

They, he said, still confront acute difficulties in expanding and diversifying the production bases, in building financial, technological and transport capacities, in coping with the debt burden and its consequences as well as with adverse trends in resource flows, and pursuing adjustment programmes oriented to growth and development.

He stressed that particularly worrying is that some developed countries resort to the use of power, not pursuing internationally recognized rules and cooperation in the commercial field.

Sri Lankan delegate Warnasena Rasaputram, chairman of the Asian group of the Group of 77, spoke next. He said the harsh realities of present day international economic relations do necessarily warrant effective formulation and presentation of a common front of the developing countries in order to effectively meet the real challenges of the 1990s.

This meeting of the Asian ministers will take promising initiatives to have a unified approach to arrive at acceptable solutions to the problems that plague the world today, he stressed.

Malaysian Minister Views NAM's Future Action

BK0609071891 Kuala Lumpur BERNAMA in English 0313 GMT 6 Sep 91

[Text] Kuala Lumpur, Sept 6 (OANA-BERNAMA)—Malaysia has proposed the setting-up of a steering group at a sufficiently-high level in the Non-Aligned Movement [NAM] to determine a mechanism and a course of action to ensure a meaningful role of the movement in the new changing international environment.

Foreign Minister Abdullah Ahmad Badawi Thursday said that the group should establish the priorities and recommend specific actions to be adopted by the 10th conference of the heads of state/government of the Non-Aligned Movement next year.

He said there was a tendency by the five permanent members of the United Nations Security Council to work as an exclusive group and apply pressure on the non-permanent members of the council. At times the council appeared paralysed and unable to conduct its work.

"Often, pressure tactics were used to prevent the non-aligned caucus of the council to work as a unified group and to act as an important check and balance in the decision-making process of the council," he said at the conference of the ministers of foreign affairs of the Non-Aligned Movement in Accra, Ghana. The text of his speech was released here.

There was also a tendency to introduce new conditions on development assistance at United Nations fora, he said.

He described the incorporation of the so-called human freedom index in the 1991 United Nations Development Programme (UNDP) human development report as an attempt to use the UNDP to impose values which reflected a lack of sensitivity and respect for the religious and traditional beliefs and institutions of others.

He also suggested that the South-South co-operation be re-examined and intensified further in specific achievable areas and a new and meaningful dialogue with the north be further pursued.

He said the NAM should give increased attention to its economic imperatives. It should seek to upgrade and intensify coordination and collaboration with the G-7 countries for the benefit of its members.

Abdullah said Malaysia believed that in examining and determining NAM's future, some serious soul-searching within the movement was required and it should be done in an honest and objective manner.

The first priority was to dedicate NAM's effort towards strengthening the social and development structures in their respectives countries, he said.

He also said there was a need to intensify efforts to encourage greater economic co-operation and trade among the developing countries, adding that Malaysia was fully committed to the NAM's Asia-Pacific Economic Co-operation (APEC) and the appeal made at the last non-aligned summit in Belgrade for member countries to assist and encourage greater South-South co-operation.

Japan

Parties Agree Broadly on SDF Peacekeeping

OW0909144391 Tokyo KYODO in English 1424 GMT 9 Sep 91

[Text] Tokyo, Sept. 9 KYODO—The governing Liberal Democratic Party (LDP) and opposition Komeito and Democratic Socialist Party (DSP) agreed on Monday on the broad outlines for legislation covering the Self-Defense Forces (SDF) participation in the United Nations peacekeeping operations, but delayed a final agreement until Friday.

The secretaries general of the three parties, meeting in the Diet building, agreed on legislation of five principles to be met in the event the SDF is deployed for UN peacekeeping operations, but they failed to reach a compromise over the extent to which the Diet could have a say in the deployment of the peacekeeping unit.

The five principles are that the parties to a conflict must agree to a ceasefire, that the parties to a conflict must agree to deployment of the peacekeeping forces, that the peacekeeping forces must retain neutrality, that the Japanese force must withdraw when any of these conditions are not met, and that weapons carried by the peacekeeping force must be a minimum for self-defense.

The two opposition parties accepted LDP Secretary General Keizo Obuchi's proposal that the five principles be incorporated into the legislation.

They also agreed that when the legislation is proposed, they should display a unified stand on the participation of the SDF, that the legislation should cover preliminary training for the peacekeeping organization and that participants should be limited to about 2,000.

But the opposition parties requested changes in the wording of the original government proposal, which stipulated that if a ceasefire agreement is broken there should be a withdrawal.

Komeito Secretary Yuichi Ichikawa told the meeting that because of the few days left in the current Diet session and the gravity of the topic, it will now be difficult to complete the legislation on schedule.

Yavlinskiy on Return of Disputed Islands

OW0909122491 Tokyo KYODO in English 1157 GMT 9 Sep 91

[Text] Tokyo, Sept. 9 KYODO—Georgiy Yavlinskiy, vice chairman of the Soviet Union's interim cabinet, said Monday that four Soviet-occupied islands off Hokkaido should be returned to Japan.

The vice chairman of the Economic Management Committee said in a written reply to KYODO NEWS SERVICE questions that under the 1855 treaty of commerce, navigation and delimitation between Japan and Russia, the four islands of Shikotan, the Habomai group, Etorofu, and Kunashiri should be returned to Japan.

Yavlinskiy is the first Soviet leader to say the islands should be returned to Japan.

The Soviet Army seized the islands at the end of World War II and the territorial dispute has been the greatest obstacle to full normalization of ties between Japan and the Soviet Union.

"I think the treaty of commerce, navigation and delimitation concluded between the two countries in 1855 could be a moral and legal starting point to resolve the issue," said Yavlinskiy, former vice premier of the Russian Republic.

"This treaty was one that the two countries concluded after friendly negotiations and was not resulted from war. Therefore, as a matter of course, the demarcated border must be confirmed and the four islands of Shikotan, the Habomai group, Etorofu, and Kunashiri must be returned to Japan," he said.

The treaty established the boundary between the two nations between the islands of Etorofu and Uruppu, which is north of Etorofu, and stipulated that the Kurile Islands, lying to the north of and including Uruppu, belonged to Russia.

The 39-year-old advocate of radical economic reform said he will make efforts to solve the issue, but that the outcome would be influenced by the future form of the union.

The Soviet Union promised in the 1956 joint declaration between the two countries to return the smaller islands of Shikotan and the Habomai group, but unilaterally renounced its pledge in 1960 after Japan renewed its security treaty with the United States.

A joint communique between the two countries signed when Soviet President Mikhail Gorbachev visited Japan last April cited the four islands as an issue requiring "border delimitation," but stopped short of any Soviet commitment to return the disputed islands to Japan.

Yavlinskiy said it is in the interest of current residents on the islands to resolve the territorial dispute.

"If (we) correctly and candidly explain the historical substance of this issue to the peoples of the Soviet Union and Russian Republic, they will understand," he said.

Some 17,200 Japanese who were living on the four islands left them after the Soviet occupation. About 24,600 Soviets are living on the four islands.

Yavlinskiy said the most urgent task for the Soviet Union is to establish economic relations among the republics and that it is important to conclude a treaty for an economic union.

On Friday the economic union treaty draft was submitted to the State Council, an interim body until a new union is formed.

The failure of the hard-line coup has created the best chance for the country to transform into a parliamentary democracy and a market economy, he said.

Yavlinskiy is handling assistance to the Soviet Union from the West at the behest of Gorbachev and Russian President Boris Yeltsin, he said.

Economic assistance from the West, including Japan, would lessen shocks triggered by reforms and play a major role in achieving its success, he said.

Humanitarian assistance such as grants for food, medicine and daily necessities will be critical during winter to spring, he said.

There are two preconditions that must be met before the Soviet Union can accept large-scale financial assistance from the West, he said.

Each republic must first resolve all issues in peaceful manner and the Soviet Union must establish mechanisms so that investment from the West can be used effectively, he said.

Otherwise large-scale financial aid will only lead to expansion of debts, he said

Yavlinskiy said economic assistance from Japan should not be linked to the bilateral dispute over the northern territories.

As for dialogue between Japan and the Soviet Union, Yavlinskiy said Japan should negotiate directly with reliable and responsible politicians from both the central and republic governments.

Gorbachev named Yavlinskiy vice chairman of the Economic Management Committee by Gorbachev on August 24 after the failed coup by hard-liners.

He is now supervising work aimed at paving the way for reform of the national economy and its integration into the world economy.

Gorbachev also issued a presidential decree on Saturday giving the four-man committee power to run the Soviet economy. The committee is being led by Russian Prime Minister Ivan Silayev.

The committee will function as Soviet cabinet until the inter-republic economic committee is formed.

Yavlinskiy co-authored the "500 day" scheme and "grand bargain"plans to convert the Soviet economy to a free-market system.

Government Praises Yavlinskiy Remarks on Aid

OW0909144091 Tokyo KYODO in English 1322 GMT 9 Sep 91

[Text] Tokyo, Sept. 9 KYODO—The government Monday praised remarks by a Georgiy Yavlinskiy, vice chairman of the Kremlin's interim cabinet, who said foreign aid should come after the Soviet Union creates a new economic system, sources said.

Yavlinsky's position "is what we've been pushing all along," said a source at the Foreign Ministry's European and Oceanic Affairs Bureau.

The chairman of the Kremlin's Economic Management Committee said in a written reply to questions from KYODO NEWS SERVICE that economic assistance should be divided into humanitarian and strategic assistance, which would include financial aid.

Yavlinsky's comments could be used to convince Germany and France, which are eager to provide the Soviets with massive financial aid right away, to put off offering cash assistance, the sources said.

A senior Foreign Ministry official said Japan is positive about providing humanitarian aid.

But with Japan-Soviet relations marred by a dispute over four Soviet-occupied islands off Hokkaido, the government has not yet decided on the scale of humanitarian aid.

"The granting of gratuitous funds to buy food and medical supplies as in the case of developing countries would not be appropriate," said a source at the ministry's Economic Cooperation Bureau.

"We have to determine the extent of the food shortage," a Finance Ministry source said.

Government Slow in Deciding About Aid to USSR

OW0909092691 Tokyo KYODO in English 0846 GMT 9 Sep 91

[Text] Tokyo, Sept. 9 KYODO—The Japanese Government is having trouble coordinating policy on expanding food aid to the Soviet Union, officials said Monday.

The difficulties arise from Soviet political uncertainties and Japan's policy of refusing to give large amounts of aid to the Soviet Union until the dispute over the four Soviet-held islands off Hokkaido is settled.

Some officials are concerned that Japan may lag behind Western nations in aiding the Soviet Union.

The Group of Seven (G-7) industrial nations—Britain, France, Italy, Germany, the United States, Canada, and Japan—agreed at the end of August in London to examine ways to supply emergency food and medicine aid to the Soviet Union.

They also agreed to help Moscow enter the International Monetary Fund (IMF) under special status and to supply technical assistance in energy and four other fields as soon as possible.

Under the agreement, the G-7 nations will expand food aid to the Soviet Union, whose food grain production this year is estimated at 190 million tons, 40 million tons less than last year.

Officials said Japan is considering expanding its planned 100 million dollar emergency aid to the Soviets in tied loan by the government-backed Export-Import Bank of Japan.

A tied loan limits its use to imports from Japan, such as powdered milk. Japan, however, does not export food grains.

An untied loan would go against the Japanese policy of withholding major financial aid to the Soviet Union until the territorial dispute is settled. Japan claims the four islands, which the Soviet Union seized at the end of World War II.

Japan could offer a commodity grant in aid to the Soviet Union, similar to the 1 billion yen it gave in spring this year, but Finance Ministry officials are resisting the idea.

In their opinion, it would be inappropriate to give such aid to the resources-rich Soviet Union.

Officials said Prime Minister Toshiki Kaifu is under pressure to decide whether to give a grant in aid or to give a limited untied loan to the Soviet Union.

Government To Give Trucks

OW1009052491 Tokyo KYODO in English 0400 GMT 10 Sep 91

[Text] Tokyo, Sept. 10 KYODO—Japan has decided to ship 2,000 forklift trucks to the Soviet Union as part of its economic assistance, the Ministry of Transport said Tuesday.

The assistance is in response to a request made by the Soviet Union to a Japanese delegation that visited the country in January this year to study the country's distribution system.

The forklift trucks will be made by Toyo Umpanki Co., based in Osaka, and will be shipped from Kobe in four lots starting in December through to 1993.

The price of the trucks are yet to be decided, ministry officials said.

Hashimoto Says No G-7 Discussions on USSR Aid

OW1009034391 Tokyo KYODO in English 0242 GMT 10 Sep 91

[Text] Tokyo, Sept. 10 KYODO—Finance Minister Ryutaro Hashimoto ruled out Tuesday the possibility that the upcoming meeting of deputy finance ministers of the Group of Seven (G-7) industrial countries will agree on financial assistance to the Soviet Union.

Hashimoto told a press conference after a regular cabinet meeting that the gathering in Dresden, Germany, on Sunday, is intended to exchange information, not to negotiate different standings of the seven economic powers over aid to the Soviets.

"We have our own stand. There is no possibility that the meeting will decide anything," he said.

Japan, along with the United States, Britain, and Canada, has been reluctant to provide large-scale financial help to the Soviets despite growing calls from Germany and other European countries for aid.

Hashimoto also voiced a cautious wait-and-see attitude toward possible membership in the International Monetary Fund (IMF) and other international financial institutes for the newly-independent Baltic countries of Latvia, Lithuania, and Estonia.

"Our handling of the problem is different from that of the United States, which disapproved of the Soviet Union's annexation of the three nations. We have to be more prudent," he said.

Hungarian Prime Minister Arrives on 4-Day Visit

OW0709053491 Tokyo KYODO in English 0430 GMT 7 Sep 91

[Text] Tokyo, Sept. 7 KYODO—Hungarian Prime Minister Jozsef Antall arrived in Tokyo on Saturday morning for a four-day official visit to Japan.

Antall is scheduled to meet with Prime Minister Toshiki Kaifu on Sunday, Japanese government officials said.

The Hungarian Prime Minister is in Tokyo at the invitation of the government.

During his stay in Japan, Antall is also scheduled to meet with former Prime Minister Yasuhiro Nakasone, former Finance Minister Kiichi Miyazawa, and business leaders.

Holds Meetings

LD0809023191 Budapest MTI in English 1612 GMT 7 Sep 91

[Text] Tokyo, September 7 (MTI)—The crisis in the Soviet Union and the fighting taking place in Yugoslavia do not have a destabilizing effect on Hungary, Hungarian Prime Minister Jozsef Antall said in Tokyo.

The prime minister, who is on a four-day official visit to Japan, on Saturday met the president of the Suzuki company, and took the occasion to make the remarks on the importance of stability in Hungary. Antall said he is aware that Japan reacts sensitively to the conflicts taking place in the East European region, which is so distant from Japan, by holding back investments.

At his first official meeting on Saturday, Prime Minister Antall appointed Osamu Suzuki, president of the Suzuki Company, as honorary consul of the Republic of Hungary, in recognition of his past activity.

The Japanese company president will strive to intensify Japanese- Hungarian economic, cultural, sports and other relations in six prefectures in central Japan.

In the course of an informal discussion following the appointment ceremony, the members of the Hungarian Government delegation inquired after the role intended for Hungarian component manufacturers and deliverers by the Suzuki Company of Esztergom in Hungary. Osamu Suzuki said deliveries by Hungarian firms will initially account for 30 per cent in the cars, however, they would like to raise this to 50 per cent within one year.

Prime Minister Antall and members of the delegation met Johai Kono, president of the Japanese-Hungarian Friendship Society, and members of the organization. Antall said Hungary should create as extensive relations with Japan as possible, covering the political, cultural and scientific areas, as cooperation can become lasting only in this way. Hungary, which is committed to European integration, aims at having diverse relations, thus it also wishes to rely on Japan, an economic world power.

Hungarian experts made a last effort to formulate the planned investment protection agreement, but were unsuccessful.

There are significant differences in the approach taken by the two sides, differences which make the agreement impossible, said Janos Martonyi, secretary of state of the Hungarian Ministry of International Economic Relations.

Japan insisted that it be ensured the advantages to be gained from an eventual free trade agreement between the common market and Hungary, but we could not accept this, Martonyi said. However, the non-finalization of the agreement will not at all influence the Japanese investors, who have so far invested in countries with which no such agreement was in force. The United States and Western Europe are the main targets for Japanese investors, rather than the three countries—China, Egypt and Sri Lanka—with which Japan has investment protection agreements, the secretary of state noted.

Talks With Kaifu Detailed

LD0809182391 Budapest MTI in English 1732 GMT 8 Sep 91

[Text] Tokyo, September 8 (MTI)—Hungarian Prime Minister Jozsef Antall asked Japanese Prime Minister Toshiki Kaifu to continue assisting Hungarian economy from Japanese state sources, and to encourage private banks to this end as well. Japan is a strategically important partner for Hungary. "A new chapter has opened up in bilateral relations, following the Hungarian change in system, and we shall strive to expand our political cooperation both with respect to bilateral relations and in the international field," Antall said.

In the course of the 90-minute meeting, Antall listed in detail the financial areas in which Hungary counts on Japanese cooperation. Prime Minister Kaifu said he sees opportunities to develop financial relations, and new loans may also be possible as Hungary has always precisely met its payments obligations.

Antall stressed Hungary would hold it important for Japan to ensure an appropriate stand-by loan framework, and to thereby underline the Hungarian efforts aimed at convertibility [of the forint].

Prime Minister Kaifu promised to set up 500-million-dollar loan framework in the course of his visit to Budapest in January 1990. Hungary has already utilized two-thirds of the amount.

Antall considered Japanese tourism developments to be important, mentioning that direct aviation relations should be set up between the two countries on the long-range.

Hungary is ready to deliver grain, meat and pharmaceuticals to the Soviet Union in the framework of target assistance and loans, Antall said. According to members of the Hungarian delegation, this theme is to be discussed at the expert meetings.

Hungary also counts on Japan providing preferential loans to it from the OECF [as received] foreign cooperation fund.

The Hungarian delegation brought with it preliminary studies of four concrete environmental protection projects, MTI has learned. Inasmuch as these meet with agreement from the Japanese partners, "special judgement" can be expected.

Renewing the 200-million-dollar export loan guarantee, and an increase of imports from Hungary in the "traditional products" category (food, pharmaceuticals) could promote the development of goods exchange, Antall said, then discussed the Japanese developments in progress in Hungary. He said Hungary would require greater Japanese investment, as the level of developments to date does not accord to the weight of Japanese economy, nor the degree of interest shown by Japan for Hungary.

Discussions were also held about the investment protection agreement which was not signed during the visit. "We are invariably interested in concluding the agreement," Antall said. Prime Minister Kaifu considered it important to settle the still pending issues. As was reported, principal differences arose in this matter in the course of the expert talks.

(The debated issues refer to how Japan could share from the advantages arising from a future free trade agreement between Hungary and the Common Market.)

Kaifu said he shall provide further guidelines to the experts to continue the talks. He said that Hungary is at the head of reforms, and Japan is ready to expand financial and technical assistance in the interest of their success.

—The Japanese prime minister has already committed himself in three essential financial matters, members of the Hungarian delegation said. Accordingly, Kaifu does not consider the 500- million-dollar loan granted earlier to Hungary to be restricted either in time or in its amount; Japan is ready to expand the loan inasmuch as Hungary submits appropriate plans. Japan will open a new, two-year loan for Japanese firms in contact with Hungary, at a value of 400 million dollars, ensuring trade and investments. Kaifu spoke favourably about financing the environmental protection projects, and the delivery of Hungarian food products to the Soviet Union.

—Discussions were also held about cultural and technical cooperation.

Japanese Foreign Minister Taro Nakayama and Elemer Biszterszky, administrative secretary of state of the Hungarian Ministry of Culture and Education, signed a protocol on dispatching Japanese volunteers to Hungary (34 Japanese language teachers, and sports coaches, including judo, will arrive in Hungary).

The Budapest office of the Japanese Foundation, and the preparation of an agreement to partially abolish compulsory visas indicate an expansion in bilateral relations. Prime Minister Antall made several proposals, for instance, on the full abolition of compulsory visas, an aviation agreement, and called for the renewal and expansion of the technical and scientific agreement of 1979.

Antall confirmed an invitation extended to the Japanese imperial couple, and crown prince, to visit Hungary, and also invited Prime Minister Toshiki Kaifu for a return visit.

400 Million Credit Line Renewed

OW0909113891 Tokyo KYODO in English 1101 GMT 09 Sep 91

[Text] Tokyo, Sept. 9 KYODO—Japan has again set a credit line worth 400 million dollars for trade with Hungary, a government official said Monday.

Eiichi Nakao, Minister of International Trade and Industry, told Mihaly Kupa, a visiting Hungarian finance minister, that the credit line will guarantee trade risks for Japanese companies for two years beginning in September.

The government-set credit line will further encourage investment in Hungary by Japanese private sectors, Nakao was reported as saying.

Japan set a credit line worth 400 million dollars in 1989 but it has expired recently, according to the official at the Ministry of International Trade and Industry (MITI).

The resumption of such measure was decided on the occasion of a four-day visit to Tokyo by Hungarian Prime Minister Jozsef Antall and Kupa, the official added.

During the meeting with Kupa, Nakao also pledged to dispatch a mission to Hungary to find effective ways to help the country's industrial restructuring and promotion of exports.

The MITI official, who attended the meeting, said Hungary is trying to boost exports to Western nations in order to make up plunging exports to the Soviet bloc. Kupa welcomed such a proposal, the official said, adding a Japanese mission could be sent possibly before the end of the year.

Earlier in the day, Kupa visited Michio Ochi, director general of the Economic Planning Agency, and has reportedly gained Ochi's agreement on strengthening Japan's help in the field of distribution and financial system reforms.

Promoting bilateral human exchange, in such a way that Japan receives trainees, was also agreed to by Ochi.

Antall Meets Businessmen

LD1009084491 Budapest MTI in English 1710 GMT 9 Sep 91

[Text] Tokyo, September 9 (MTI)—"Yugoslavia is the last stronghold of communist nationalism and military power," Hungarian Prime Minister Jozsef Antall warned leading Japanese businessmen in his lecture today.

He cited Yugoslavia as "the most critical issue of European security," calling on democratic countries to exert a unified and comprehensive pressure to end the conflicit. "Without the necessary determination," Antall said, "lots of Yugoslavian-type conflicts can emerge in Eastern Europe."

In his lecture, Antall also tried to ease worries of the Japanese investors over Hungarian security.

"Because we severed the ties of direct dependence with the Soviet Union," he said, there was no immediate danger threatening Hungary at the time of the Soviet coup attempt. The failed coup of the hardliners made it clear, however, there may still be conservative political forces lurking about that can be temporarily mobilized, Antall stressed.

As regards foreign policy, Hungary is committed to European integration but not to an "introvert" Europe, Antall said.

Jozsef Antall also spoke about why the Hungarian-Japanese investment protection agreement was not signed during talks with Japanese Prime Minister Toshiki Kaifu yesterday.

"The agreement would have had a symbolic significance only as investments in Hungary are protected by the Constitution and other laws. Hungary could not sign the agreement because doing so would affect our EC talks and act as a pretext for those wanting the talks to drag on. Japan, however, considered the agreement important because of its symbolic value, regarding it as a precedent against the EC's exclusion policies," Antall said.

Nevertheless, he stated, Hungary rejects the idea of an "introvert" Europe.

Prime Minister Jozsef Antall also held talks today with leading representatives of the Japanese parliament's House of Councillors and the House of Representatives Tokuo Yamashita and Seigo Suzuki. He also met former Japanese Prime Minister Yasuhiro Nakasone.

Members of the Hungarian delegation accompanying Antall on his Japanese visit conducted talks with their Japanese partners.

During his talks with Hungarian Minister of Finance Mihaly Kupa, Japanese Minister of International Trade and Industry Nakao Eiichi said he expected the 400-million-dollar Japanese trade credit guarantee to boost the investments of the Japanese private sector in Hungary.

State Secretary of the Hungarian Ministry of International Economic Relations Janos Martonyi held talks with Chikao Tsukuda, vice president of the overseas economic cooperation fund. Japan can extend a support of 480-520 million dollars for purposes of environmental protection to Hungary through the fund, Martonyi told MTI.

Comments on Yugoslav Situation

OW1009104491 Tokyo KYODO in English 1021 GMT 10 Sep 91

[Text] Tokyo, Sept. 10 KYODO—Hungarian Prime Minister Jozsef Antall on Tuesday criticized the collusion between the Yugoslav Federal Army and Serbian guerrillas in suppressing the Croatian Republic's independence drive.

"I would like to see the world take notice that the Federal Army of Yugoslavia is an Army operating outside of governmental control and the country's Constitution," Antall told reporters at the Japan National Press Club.

Antall, who came to Japan last Saturday for a four-day official visit, said the Federal Army is involved in "coordinated operations" with hardline, communist Serbian guerrillas.

"They don't recognize the borders within the federation," he said of the Serbian-dominated Army.

Serbian guerrillas in Croatia, whose 4.5 million population includes some 600,000 Serbs, have been fighting for control of rebel areas which border Serbia.

Hungary shares a 610-kilometer common border with Yugoslavia, including secessionist Croatia and Slovenia, as well as Serbia, which has opposed their June 25 declarations of independence.

Budapest has expressed sympathy for the independence cause but is concerned that extending recognition now might endanger the 430,000-strong Hungarian minority in Yugoslavia, 90 percent of which lives in the Autonomous Province of Vojvodina in Serbia.

Antall drew a strong protest from Yugoslavia last July when he pointed out that the former Hungarian province was awarded by 1920 and 1947 treaties to the kingdom of Serbs, Croats, and Slovenes.

Yugoslavia later took control, leaving Serbia out of the equation, he said.

Relations with Yugoslavia were strained for several months when it was revealed last October that a Hungarian company had sold thousands of submachine guns and ammunition to Croatia's police and paramilitary forces.

More recently, Hungary last month protested repeated violations of its airspace by Yugoslav military jets, which fired missiles at targets in Croatia.

Antall told reporters there are now some 3,000-3,500 Yugoslav refugees in Hungary and said Hungary has called on the United Nations to extend refugee assistance.

He said there are another 30,000 Yugoslavs staying with Hungarian friends or relatives as visitors, of which some 10 percent are ethnic Hungarians and the rest ethnic Croatians.

Hungary has a 90,000-strong ethnic Croatian minority. There are also some 25,000 ethnic Hungarians in Croatia and another 12,000 in Slovenia.

Antall denounced the Serbian guerrillas and their supporters as comprising one of the last bastions [of] communism in Central and Eastern Europe.

He said that in his recent travels, Yugoslavia was the only country where he still found portraits of Lenin in the rooms where he held talks with officials.

Earlier in the day, Antall met with former Japanese Finance Minister Kiichi Miyazawa. Antall responded cooly to a Miyazawa proposal that Hungary conclude an investment protection agreement with Japan in order to expand bilateral economic exchanges.

Antall said his country is expected to become an associate member of the European Community (EC) next year and it will be unable to extend preferential treatment only to Japan, although the country has protective measures domestically.

He also asked Japan to buy Hungarian grain when it extends emergency food assistance to the Soviet Union.

Kadena Rally Against Troop Transfer Planned

OW0709165691 Naha RYUKYU SHIMPO in Japanese 7 Sep 91 Morning Edition p 2

[Text] In connection with the fact that transport aircraft and troops at Clark Air Base in the Philippines might possibly be transferred to Kadena Air Base, the concerned parties such as the Center for the Prefectural Council of Labor Unions [CPCLU], the Prefectural People's Council To Defend the Constitution and To Oppose the Security Pact, and the Japan Council Against Atomic and Hydrogen Bombs held an emergency meeting on the evening of 5 September. At this meeting, they confirmed the decision to hold "a protest rally against the transfer," at a vantage point in the town of Kadena, usually known as the Hill for Viewing Anpo [the Security Pact], at 1800 on 12 September. This decision will be officially approved at the CPCLU executive meeting on 9 September. They plan to mobilize about 1,000 people to attend the rally. Starting with this rally, they also plan to promote broad movements against the military transfer by such actions as street propaganda activities and demands on municipalities to adopt resolutions protesting the transfer.

At the rally, they plan to appeal for the immediate withdrawal of the transferred troops from Kadena Air Base. They also plan to announce their opposition to the Self-Defense Forces' participation in UN peace keeping operations (PKO). Moreover, representatives from various political parties will attend the rally, which is scheduled to adopt a resolution demanding the immediate withdrawal. The demonstration will be staged around the Kadena Air Base.

Attaching great importance to this issue CPCLU, Chairman Tomohiro Kayoda said: "Amid the worldwide trend of disarmament, there are growing concerns over the possibility that the military bases on Okinawa will be strengthened in accordance with U.S. military strategy, which will stress responding to confrontations of less intensity. In this connection, there is a possibility that the current transfer may eventually turn out to a permanent deployment."

He also said: "At the protest rally, we will appeal to the people, both at home and abroad, convey the prefectural residents' views on opposing the strengthened functions of the military bases, and promote a strong campaign for demanding the suspension of this transfer."

To protest the troops' transfer to Kadena Air Base, both the Kadena Town Assembly and Okinawa City Assembly have adopted a resolution. Along these same lines, the Okinawa Prefectural Assembly is expected to adopt a similar statement of opinion at its regular session in September. Moreover, the prefectural government has also appealed to the U.S. military forces, the White House, and the Foreign Ministry on its opposition to the transfer. The fact that the mass organizations have decided to stage protest rallies indicates that this campaign has now been expanded to involve all local residents.

Finance Minister Reports to Cabinet on Budget

OW1009014891 Tokyo KYODO in English 0123 GMT 10 Sep 91

[Text] Tokyo, Sept. 10 KYODO—Finance Minister Ryutaro Hashimoto reported to cabinet Tuesday that budgetary requests for the next fiscal year show an 8.3 percent yearly increase in the general account of the national budget.

Requests for the general account, which covers debt-servicing costs, local finance expenses, and general operating expenditures, total 76,178 billion yen for fiscal 1992 which begins April 1, 1992.

General expenditures, the core of the budget covering major government programs such as social security, education, and defense, rose to 38,956 billion yen, up 5.2 percent from a year earlier for the largest rise since Fiscal 1982 when the government started cutting its dependence on debt financing.

The general operating expenditure includes a special expenditure of 200 billion yen to boost national living standards which was introduced in the fiscal 1991 budget in line with Japan's pledge to increase public spending at the structural impediments initiative (SII) talks with the United States.

Requests for the living-related account amounted to a modest 361.3 billion yen, as the Finance Ministry limited requests to twice the amount of last year's actual spending. Government ministries and agencies requested more than 1 trillion yen last year for the 200 billion yen category.

Also included in the general account is a new 200 billion yen expense account for public works, also aimed at fulfilling the SII agreement.

Requests for official development assistance (ODA) showed a 10.1 percent increase, while those for defense outlays rose 5.38 percent.

Ministries requests were made by the end of August according to the ceiling on general expenditure which the government set at 38,956.5 billion yen in July.

Hashimoto also reported that budgetary requests for the government's fiscal investment and loan program for Fiscal 1992 amounted to 45,921 billion yen, up 24.8 percent from the previous year.

Requests for outlays excluding those for investment in the financial markets for fund-management purposes totaled 33,171 billion yen, up 14 percent.

The fiscal investment and loan program, separated from the general account budget and known as "the second budget," is financed by such nontax sources as postal savings, public pension, and postal life insurance funds.

North Korea

Foreign Minister Greets New Baltic States

SK1009072891 Pyongyang KCNA in English 0622 GMT 10 Sep 91

[Text] Pyongyang September 10 (KCNA)—Foreign Minister Kim Yong-nam sent letters respectively to the foreign ministers of Lithuania, Latvia and Estonia.

The letters congratulate them on the independence of Lithuania, Latvia and Estonia.

They note that the government of the Democratic People's Republic of Korea recognizes the independence of these countries and expresses the will to develop friendly and cooperative relations with them in various fields in the idea of independence, peace and friendship in the future.

Conference Discusses Nuclear-Free Zone for Korea

SK0709052691 Pyongyang KCNA in English 0443 GMT 7 Sep 91

[Text] Pyongyang September 7 (KCNA)—A Conference of European Political Parties and Organisations for the

Creation of a Nuclear-Free, Peace Zone on the Korean Peninsula was held in Vienna on September 1.

The conference was attended by Peter Schieder, chairman of the Foreign Policy Commission of the parliament of the Republic of Austria, parliamentarian Willy Burgeon, member of the bureau of the Belgian Socialist Party and chairman of the Vallon District Committee, Heinz Stehr, co-chairman of the German Communist Party, Ingve Iversen, chairman of the Central Committee of the Norwegian Communist Party, and other figures of all walks of life from Europe.

Head of a delegation of the Workers' Party of Korea [WPK] Kim Hyong-u, vice-director of a department of the C.C. [Central Committee], WPK, and the DPRK ambassador to Austria were also present.

Former Greek general Georges Pattas, chairman of the West European Committee for the Reunification and Peace of Korea, made a keynote report and Kim Hyong-u, head of the WPK delegation, delivered a supplementary report.

Then speeches were made.

Letters to the great leader President Kim Il-song and the dear leader Comrade Kim Chong-il were adopted at the conference.

Also adopted there were an appeal to the governments, parliaments, political parties and public organizations of all countries the world over and international organisations and a letter to the chairman of the board of governors of the International Atomic Energy Agency.

At the request of the honorary president of the World Peace Council, the conference decided to inform foreign government delegations to the U.N. General Assembly session and delegations to the Non-Aligned Foreign Ministers' Conference this year of the proceeding of the current conference through relevant channels and appeal to them to express governmental support for the establishment of a nuclear-free, peace zone on the Korean peninsula.

"On the problem of denuclearisation of the Korean peninsula," an information of the secretariat of the West European Committee for the Reunification and Peace of Korea, was adopted as an official document of the conference and it was decided to widely distribute it on various occasions in the future.

DPRK Delegate Reports

SK0709075091 Pyongyang Korean Central Broadcasting Network in Korean 0000 GMT 7 Sep 91

[Supplementary report by Kim Hyong-u, head of the Workers' Party of Korea delegation to the Conference of European Political Parties and Public Organizations for the Creation of a Nuclear-Free, Peace Zone on the Korean Peninsula held on 1 September in Vienna, Austria—read by announcer]

[Text] The removal of the danger of nuclear war has now become a major concern for the world's peace-loving people as well as a pressing international political matter.

Realizing nuclear arms reduction and removing the nuclear threat is an urgent, irresistible matter of the present era that faces the world's progressive people, including the anti-nuclear peace force.

The danger of nuclear war on the Korean peninsula has not abated at all and it has taken on a more dangerous nature. As is widely known, the United States, assuming South Korea as its major military, strategic point in Asia and the Pacific, has been introducing nuclear weapons into it since 1957.

Today, the number of U.S. nuclear weapons deployed in South Korea far exceeds 1,000. According to data made available so far, there are about 500 nuclear bombs, about 270 nuclear shells, about 290 missile warheads, about 60 neutron bombs, and about 500 nuclear backpacks.

Not only has the United States deployed such a vast number of nuclear weapons in South Korea, but it also is about to provoke a nuclear war on the Korean peninsula by using them, in fact, at any given time. Already during the Korean aggression war in 1950, the United States had arranged for aircraft carriers brought to the war front in Korea to carry warheads, attempting to use nuclear weapons.

The U.S. imperialists, who have turned South Korea into a nuclear forward base following the end of the Korean aggression war, have publicly declared on more than one occasion that they would use nuclear weapons in an emergency.

The outrageous words of the United States on the use of nuclear weapons as such are practically being translated into action through its nuclear war exercises. The "Team Spirit" joint military exercise that the United States has annually been conducting in South Korea with the means of nuclear attack deployed in South Korea and (nuclear-powered) aircraft carriers, nuclear strategic bombers, and nuclear attack aircraft of various descriptions, and nuclear missiles flown from the Pacific and the continental United States is the most dangerous nuclear war exercise.

Not only has the United States stubbornly refused to heed our Republic's proposal that it discontinue the "Team Spirit" joint military exercise, a nuclear war exercise, at least while the North-South high-level talks, which had been arranged after twists and turns, are under way, but it has also conducted the provocative exercise this year again and is about to continue it next year, too.

In fact, the means for nuclear attack in South Korea are constantly on a Class A alert so as to be mobilized and fired in an emergency. The situation on the Korean peninsula is becoming more complicated because the

United States and the South Korean authorities, while babbling about our nonexistent nuclear facilities, are trying to force us to sign the nuclear safeguards accord and unilaterally accept nuclear inspection.

As is widely known, after putting forward consistent antinuclear peace lines, our Republic has been struggling for their realization. Our Republic has neither the intent nor the ability to develop nuclear weapons.

It stemmed from our lines of opposing nuclear weapons and particularly out of a desire to remove the nuclear danger hanging over the Korean peninsula by legally declaring our antinuclear lines that our Republic signed the Nuclear Non-Proliferation Treaty.

Even after our Republic signed the Nuclear Non-Proliferation Treaty, the U.S. nuclear threat against us has increased further rather than decreased. The United States call on us to sign the Nuclear Safeguards Accord and to agree to nuclear inspection while they continue their nuclear threat against us is ultimately the same as insisting that we surrender, with our own dignity and safety entrusted to them.

Nobody can comply with such arbitrariness and a high-handed manner if he has the least sense of value for national dignity. It is out of a desire to leave nuclear weapons deployed intact and to keep its policy of nuclear threat in place that the United States keeps babbling about our nonexistent nuclear facilities.

Driven by our antinuclear, non-nuclear lines, we have been manifesting our patience with a view to settling the question by way of removing the U.S. nuclear threat against us and signing the Nuclear Safeguards Accord.

Saying that the U.S. deployment of nuclear weapons in South Korea and its threat against our Republic with nuclear weapons has nothing to do with the Nuclear Non-Proliferation Treaty and that our Republic's not signing the Nuclear Safeguards Accord alone is an act of not fulfilling the duty specified by the Nuclear Non-Proliferation Treaty, some countries insist that our Republic sign the Nuclear Safeguards Accord regardless of the U.S. threat and blackmail.

Such assertions are neither justified nor fair. If and when these countries face direct nuclear threat coming from any nuclear powers, would they sit idle and do nothing about it?

If the non-nuclear countries still face nuclear threats posed by the nuclear powers even after becoming the signatories to the Nuclear Non-Proliferation Treaty, who would sign such a treaty and fulfill the duty spelled out in such a treaty?

Precisely because of this, the treaty has come into being on the condition that the nuclear powers declare that they would not threaten or attack the non-nuclear countries with nuclear weapons.

Even in the international meeting held last year in Geneva for the review of the implementation of the Nuclear Non-Proliferation Treaty, an absolute majority of the non-nuclear countries demanded that safeguards against the use of nuclear weapons be guaranteed, placing it on the table as one of the major issues for fulfilling the treaty.

This being the case, the U.S. act of threatening our Republic, a signatory to the Nuclear Non-Proliferation Treaty, with nuclear weapons is a wanton violation of the principal ideals of this treaty as well as the conditions on which the treaty has been built. Also, that our Republic's demand that [the United States] reconsider it is a right our Republic is entitled to according to this treaty.

The principal ideals of the Nuclear Non-Proliferation Treaty and then the Nuclear Safeguards Accord are to remove the danger of nuclear war. Will the danger of nuclear war on the Korean peninsula be removed simply because our Republic signs the Nuclear Safeguards Accord, while leaving U.S. nuclear weapons and the danger posed by them intact?

The danger of nuclear war hanging over the Korean peninsula stems from U.S. nuclear weapons and policy of nuclear threat.

This notwithstanding, the United States has put on us a variety of pressure in a bid to impose unilateral nuclear inspection on us and even tries to risk a military adventure.

If such a provocative move by the United States against our Republic leads to another war in Korea, it will escalate into a nuclear war. If and when this happens, not only our people, but also peoples in other Asian countries cannot be safe and it will have a serious impact on the cause of global peace.

To ease tensions on the Korean peninsula which is aggravating with each passing day and to remove the danger of nuclear war is a pressing matter that cannot be delayed for even a moment.

Considering the creation of a nuclear-free, peace zone on the Korean peninsula to be the only way of removing the source of danger of nuclear war hanging over the Korean peninsula and Asia, we once again proposed on 10 June and again on 30 July that the United States and the South Korean authorities respond to a proposal on negotiations for realizing the creation of the nuclear-free, peace zone on the Korean peninsula.

Our Republic's proposal for turning the Korean peninsula into nuclear-free, peace zone corresponds to the ideals of the Nuclear Non-Proliferation Treaty and its regulations.

If and when the Korean peninsula is turned into a nuclear-free zone, our signing of the Nuclear Safeguards Accord as called for by the United States will be resolved automatically. So, it will be significant in reinforcing the Nuclear Non-Proliferation Structure as well.

The United States brought nuclear weapons into South Korea during its stand-off with the Soviet Union. Now that U.S.-Soviet relations are moving toward detente and based on this the two sides are withdrawing and dismantling the nuclear weapons deployed in Europe and have agreed on a new nuclear arms control treaty, the creation of nuclear-free zone on the Korean peninsula has become a longstanding demand.

Even the youth, students, and broad range of the people in South Korea have risen up for turning the Korean peninsula into a nuclear-free zone. Nobody can stop the creation of a nuclear-free zone on the Korean peninsula unanimously desired by our people themselves.

The voices of solidarity from the people of the world constitute a valuable support and encouragement to the entire Korean population in the North and South.

I am convinced that the political parties and public organizations in Europe and the peace-loving European peoples will contribute, as a matter of course, to the cause of peace in Asia and the cause of peace in the world by more actively launching the movement of support and solidarity designed to hasten the creation of nuclear-free zone on the Korean peninsula.

Keynote Address Summarized

SK0709155491 Pyongyang KCNA in English 1509 GMT 7 Sep 91

[Text] Pyongyang September 7 (KCNA)—Ex-Greek General Georges Pattas, chairman of the West European Committee for the Reunification and Peace of Korea, delivered a keynote report at the Conference of European Political Parties and Organisations for the Creation of a Nuclear-Free, Peace Zone on the Korean Peninsula which was held in Austria.

The reporter branded South Korea as the most dangerous nuclear magazine in the world.

He said:

The nuclear arms in South Korea are dangerous ones that have constant explosive possibility more than those in other regions and countries.

Particularly, after the Persian Gulf war, the U.S. policy of nuclear war in South Korea assumes more and more dangerous character.

The U.S. "120 day war plan" made public in April this year shows its intention to unleash another war on the Korean peninsula in which it will use even nuclear weapons.

The United States demands that the DPRK sign the Nuclear Safeguards Accord and accept nuclear inspection according to the Nuclear Non-Proliferation Treaty. This is too unilateral a demand for a sovereign independent state to accept.

If the United States should demand a nuclear inspection of the DPRK, its nuclear arms in South Korea must undergo an inspection as well.

The reporter pointed out that the U.S. nuclear arms in South Korea are the root cause of threatening peace and security not only in Korea but in Asia and the world.

He continued:

Today the U.S.-Soviet relations are switched over from confrontation to detente and both sides do not regard each other as an "enemy". In such situation the United States persists in its opposition to the withdrawal of nuclear weapons from South Korea. It is because it regards them as the means to realise its Asian domination.

The total explosive capacity of the nuclear arms in South Korea is 1,000 times the atomic bomb dropped in Hiroshima, Japan.

The real intention of the U.S. that has deployed more than 1,000 nuclear weapons in South Korea is to permanently seize South Korea as its nuclear forward base and realise its ambition threatening and blackmailing the northern half of the Korean peninsula and other Asian countries.

The reporter said that the denuclearisation is a realistic way for the removal of nuclear war danger on the Korean peninsula.

He went on to say:

The denuclearisation of the Korean peninsula will automatically settle the question of the DPRK's signature on the nuclear safeguards accord and nuclear inspection that the United States wants.

I think the world peace-loving forces are faced with the following tasks:

Firstly, they should vigorously arouse international public opinion, so that all the governments and the international organisations including the United Nations and the International Atomic Energy Agency may make the United States withdraw its nuclear weapons from South Korea and discontinue its nuclear blackmail policy on the Korean peninsula.

Secondly, they should stir up broad public opinion to demand the discontinuation of the "Team Spirit" joint military exercises, a nuclear war game which are annually held in South Korea and other large-scale military exercises.

Thirdly, they should launch an international campaign for the denuclearisation of the Korean peninsula and urge the U.S. and South Korean authorities not to demand unilateral nuclear inspection against the DPRK but to immediately respond to its proposal of turning the Korean peninsula into a nuclear-free zone.

Fourthly, they must raise international voices that the South Korean authorities may respond to the adoption of a nonaggression declaration between the North and the South, an effective way in guaranteeing security on the Korean peninsula.

Fifthly, they should demand that the U.S. turn out at the talks with the DPRK to change the Korean Armistice Agreement of 1953 into a peace agreement.

The reporter stressed that the broad international campaign to remove the danger of nuclear war and create a nuclear-free, peace zone on the Korean peninsula will certainly accelerate its denuclearisation.

Report on U.S. Nuclear Arms in ROK

SK1009120791 Pyongyang KCNA in English 1002 GMT 10 Sep 91

[Text] Pyongyang September 10 (KCNA)—"On the Question of Denuclearization of the Korean Peninsula", an information of the secretariat of the West European Committee for Reunification and Peace of Korea, was adopted as an official document at the Conference of European Political Parties and Organizations for the Creation of a Nuclear-Free, Peace Zone on the Korean Peninsula which was held in Vienna.

The information says that South Korea is the main stronghold for the execution of the U.S. policy of increased tension and nuclear war for world domination.

It cites facts to prove that South Korea has been reduced to the biggest nuclear base in the Far East.

The administration and military authorities of the United States have introduced nuclear weapons into South Korea, blaring that South Korea is a "theatre of operations vital" to executing the U.S. military strategy toward Asia.

Minutes No. 111 of the 125th regular session of the South Korean "National Assembly" in 1985 reveals that 1,720 nuclear weapons of various types were sited in South Korea at that time.

This figure is far more than the 1,000 odd pieces of nuclear weapons which was made public for the first time by a testimony at the congress by Ronald Dellums, member of the House of Representatives of the United States in May 1975 and proved in data by the U.S. Defence Information Center in September 1975 and Brookings Institution in January 1979.

It is an irrefutable fact proved by the authorities of the United States themselves that nuclear weapons were deployed in South Korea.

In June 1975, Schlesinger, defense secretary of the United States, informed a NATO defence ministers meeting of the deployment of tactical nuclear weapons in South Korea and, in February, 1976, William Les, superintendent general of the engineering division of the U.S. Army, openly confessed that the U.S. Army "modernized the nuclear declared facilities in South Korea at the cost of 364,000 dollars in fiscal 1976 alone." Weinberger hinted at deployment of new neutron bombs in South Korea in Feb. 1981, and Speakes, a former special assistant to President Reagan, confirmed that South Korea had turned into a nuclear base, in June 1990.

The white paper of the South Korean National Democratic Front (Hanminjon), issued on July 19 this year said that a general analysis of materials made public so far and reliable military information showed that the nuclear weapons of the U.S. troops in South Korea consisted of 504 nuclear bombs, 271 nuclear shells, 293 nuclear-tipped missiles, some 60 neutron bombs, 150 nuclear mines and 500 backpack nukes.

The total explosive power of the U.S. nuclear arms in South Korea at present is 13,000 kilotons, which is 1750 times that of the atomic bomb dropped in Hiroshima, Japan. Should they explode 260 million people would be killed.

The information says that the U.S. nuclear arms in South Korea is the source of threat to peace and security of peoples in Asia and the world.

The United States, in actuality, knocked into shape a "three-way military alliance of the United States, Japan and South Korea".

"Five-day war strategy", "nine-day short-term intensive attack strategy", "three-day nuclear war emergency plan" and so on made public in military magazines of the United States, are war plans envisaging the use of nuclear weapons on the Korean peninsula.

Not only huge armed forces and latest conventional weapons but nuclear arms and nuclear-capable planes have been hurled into the "Team Spirit" joint military exercises which has been escalated from 1976 and these military exercises have reached a very dangerous phase.

Timed to coincide with the nuclear war exercises, the United States and South Korean military authorities are openly letting loose provocative war remarks against the Democratic People's Republic of Korea these days.

The strained situation on the Korean peninsula as it is today shows that they are gravely threatening peace and security not only in Korea but also in Asia and the world hourly.

It is as clear as noonday that if a war broke out on the Korean peninsula, it would turn into a nuclear war sweeping Asia and the rest of the world and no one can predict what a calamity it will bring to mankind, the information notes.

The withdrawal of the U.S. nuclear weapons from South Korea, it says, is an indispensable condition for peace and security in Asia.

Nuclear inspection on the Korean peninsula must not be unilateral but involve the U.S. nuclear weapons deployed in South Korea, the information points out, and continues:

A simultaneous international nuclear inspection of the two parts of Korea conforms to the principles of fairness and impartiality required by the treaty and it is the right of a nuclear-free state to demand a guarantee for its security under the treaty.

It is an unavoidable duty of the United States, a nuclear state and a signatory of the Nuclear Non-Proliferation Treaty [NPT], to give up the nuclear threat upon the DPRK.

The United States must not insist on unilateral nuclear inspection of North Korea, but accept the international inspection of its nuclear weapons deployed in South Korea in compliance with the requirements of the NPT which it approved.

There can be no double discipline in the matter of nuclear inspection.

There are two options for the United States whether to accept international inspection of nuclear weapons deployed in South Korea from the standpoint of nuclear disarmament and respond to the talks for the withdrawal of nuclear weapons or state in explit terms that it is trying to block the independent development of the Asian countries, resorting to the policy of strength with nuclear weapons in a bid to establish its domination over Asia and the rest of the world.

Delegates' Letter to Kim Il-song

SK0709045291 Pyongyang KCNA in English 0425 GMT 7 Sep 91

[Text] Pyongyang September 7 (KCNA)—The great leader President Kim Il-song received a letter from the conferees of the Conference of European Political Parties and Organisations for the Creation of a Nuclear-Free, Peace Zone on the Korean Peninsula which was held in Vienna, the capital city of Austria.

They have unanimously emphasized that the removal of nuclear war danger from the Korean peninsula is indispensably connected with peace and security of Asia and other parts of the world, and highly appreciated the efforts of the Workers' Party of Korea and the government of the DPRK to turn the Korean peninsula into a nuclear- free, peace zone.

They have recognized that it is an unavoidable obligation for the United States, a nuclear state, to remove a nuclear menace against the DPRK in conformity with the U.N. Charter, the principle under international law and the spirit of the nuclear non-proliferation treaty and, in return, it is a due right for the DPRK, a non-nuclear state, to demand the removal of the U.S. nuclear menace.

We assure you that we will actively conduct the international solidarity movement for the withdrawal of the U.S. troops and all sorts of nuclear weapons from South Korea and the denuclearisation of the Korean peninsula, the letter added.

Delegates Write to Kim Chong-il

SK0709102791 Pyongyang KCNA in English 1003 GMT 7 Sep 91

[Text] Pyongyang September 7 (KCNA)—The dear leader Comrade Kim Chong-il received a letter from the conferees of the Conference of European Political Parties and Organisations for the Creation of a Nuclear-Free, Peace Zone on the Korean Peninsula which was held in Vienna, Austria.

The message reads in part:

We, the participants, have expressed our great anxiety over the situation under which more than 1,000 nuclear weapons have been deployed and the "Team Spirit" and other large-scale nuclear rehearsals continue to be staged in South Korea, thus increasing the danger of nuclear war on the Korean peninsula.

We, the participants, have unanimously stressed that the Korean peninsula should be turned into a nuclear-free zone at an earliest date in favour of peace and security in Korea and the other parts of Asia and the world, and extended our full support to the joint statement issued by the DPRK's political parties and social organisations to remove the danger of nuclear war from Korea.

We strongly hold that the U.S. deployment of a huge amount of nuclear weapons in South Korea and its continued nuclear threat against the DPRK, a non-nuclear state, can be justified with nothing and that the Korean people's claim and demand to stop such manoeuvrings are quite natural.

We assure you that we will actively stage an international movement to withdraw the U.S. nuclear weapons from South Korea and turn the Korean peninsula into a nuclear-free zone.

U.S. Urged To Withdraw Arms From ROK

SK0709105291 Pyongyang KCNA in English 1012 GMT 7 Sep 91

[Text] Pyongyang September 7 (KCNA)—An appeal to the governments, parliaments, political parties and organisations of all countries and international organisations was adopted at the Conference of European Political Parties and Organisations for the Creation of a Nuclear-Free, Peace Zone on the Korean Peninsula which was held in Austria.

The appeal reads in part:

The U.S. has deployed more than 1,000 nuclear weapons in the southern half of the Korean peninsula and continuously stages large-scale nuclear war exercises, thus creating a nuclear threat. It is a great danger not only to the existence of the Korean people but also to peace and security of Asia and the world.

The situation on the Korean peninsula is becoming more complicated by the U.S. because it keeps its nuclear weapons in South Korea, pursuing policy of nuclear threat and forces the DPRK to sign the nuclear safeguards accord and undergo a unilateral "nuclear inspection."

Only when the Korean peninsula is denuclearised can the danger of nuclear war be removed.

It calls upon all governments, parliaments, political parties, organisations and international organisations to make energetic efforts to make the U.S. and South Korean authorities stop large-scale nuclear war exercises including the "Team Spirit", and get the U.S. withdraw, unconditionally and immediately, all its nuclear weapons deployed in South Korea.

It also calls upon them to do so to help hold without delay the negotiation for the denuclearisation of the Korean peninsula between the North and the South of Korea and the countries concerned, to make it possible to hold the tripartite talks between the North and South of Korea and the U.S., adopt a non-aggression declaration between the North and the South and sign a peace agreement between the DPRK and the U.S.

Letter to IAEA on U.S. Arms in ROK

SK0709152291 Pyongyang KCNA in English 1503 GMT 7 Sep 91

[Text] Pyongyang September 7 (KCNA)—We hold that the principle of impartiality should be applied to the DPRK and the U.S. in their observing the Nuclear Non-Proliferation Treaty and, therefore, the DPRK's demand is reasonable.

This is said in the letter to the chairman of the Board of Governors of the International Atomic Energy Agency [IAEA] which was adopted at the Conference of European Political Parties and Organisations for the Creation of a Nuclear-Free, Peace Zone on the Korean Peninsula. It goes on:

We think that the danger of nuclear war hanging over the Korean peninsula comes from the U.S. nuclear weapons deployed in South Korea and its policy of nuclear threat.

Recently the situation on the Korean peninsula is becoming more complex, when the U.S. is much fussy about the DPRK's "nuclear development capacity" and demands that it should sign the nuclear safeguards accord with the IAEA and undergo "nuclear inspection."

Some countries claim that the U.S. deployment of nuclear weapons in South Korea and its nuclear threat against the DPRK have nothing to do with the Nuclear Non-Proliferation Treaty and that the DPRK's refusal to sign the nuclear safeguards accord is a breach of its obligations to the Nuclear Non-Proliferation Treaty. But they do not stand to reason.

We argue that in light of the Nuclear Non-Proliferation Treaty, the United States has an obligation to lay ban on its nuclear threat against the DPRK, a non-nuclear state, and the latter has a right to demand it of the former.

Even if the DPRK signs the nuclear safeguards accord, a question will arise whether a danger of nuclear war can be removed from the Korean peninsula while leaving intact the nuclear weapons in South Korea.

In this respect, we view that the U.S. and the South Korean authorities should immediately accept the proposal repeatedly put forward by the DPRK to denuclearise the Korean peninsula.

This will naturally lead to a firm establishment of a non-proliferation system on the Korean peninsula.

We hope that Your Excellency chairman will deal with a nuclear issue on the Korean peninsula in this direction, when it is to be discussed in IAEA meetings.

We believe that you will affirmatively respond to our stand and efforts for the denuclearisation of the Korean peninsula, the letter adds.

U.S. General's Remarks Called 'Arrogant'

SK0909151891 Pyongyang Korean Central Broadcasting Network in Korean 1150 GMT 7 Sep 91

[Commentary by station commentator Chong Pong-kil: "Arrogant and Uncourteous Violent Remarks on War by an Occupier"]

[Text] According to a report, Riscassi, commander of the U.S. imperialists' aggressor troops occupying South Korea, made remarks in his interview with a U.S. military paper that the U.S. imperialists' aggressor troops occupying South Korea have no alternative but to remain there for some time, because basically nothing has changed in North-South relations, while changes have been occurring in the world.

Riscassi made the arrogant and violent remarks that the U.S. imperialists will rapidly and collectively respond to someone's invasion, saying that the North's military forces have been comprehensively modernized over past ten years, and that their threat has drastically increased.

This is a sophistry designed to justify the United States' occupation of South Korea on the excuse of a nonexistent threat of a southward invasion. As open and violent remarks on war against us, his remarks greatly enraged our people, who unanimously want the country's peace and peaceful reunification.

As everyone knows, our soldiers of the People's Army have not accelerated a war preparation for a southward invasion over the past ten years, but have participated in peaceful socialist construction. Thereby, they have carried out feats of labor astonishing to people in the world.

The soldiers of the People's Army have taken charge of the difficult tasks in carrying out socialist construction, such as the construction of Kwangbok Street, the Sohae lockgate, and the Sunchon vinalon complex. Also, they have completely contributed their wisdom and energy to the implementation of the tasks. Even today, they have been making great innovations in building a large monumental creation in the era of the Workers Party of Korea by building Tongil Street and the Sariwon potash complex. Because of this, not only our people but also the world's people have seen them in their struggles. Those who have seen these soldiers carrying out exploits in the socialist construction sites said that in the northern half of the Republic, they are not making war preparations but are participating in carrying out socialist construction. In addition, they said that only the threat of a northward invasion exists on the Korean peninsula, not the threat of a southward invasion.

We have made a proposal for comprehensively reducing the North's and South's military forces in order to ease tensions and to secure a durable peace on the Korean peninsula. As a practical example, we have already taken a step to cut the military forces by 100,000 soldiers.

On the other hand, it is the U.S. imperialists and South Korean puppets who have accelerated war preparations while largely building up the offensive arms over past ten years.

The U.S. imperialists have accelerated the work of building storehouses for nuclear weapons in South Korea over the past ten years. They have largely introduced their updated war means [chonjaeng sudan] and military facilities in South Korea. In addition, they have largely escalated the "Team Spirit" war exercise, which is a test of a nuclear war and a preliminary war.

Recently, the U.S. imperialists signed with the puppets the so-called Wartime Host Nations Support Agreement in order to completely mobilize manpower and material resources in South Korea. They have decided to transfer approximately 120 F-16 nuclear-capable fighters to the puppets in the future.

This reality proves that there is the threat of a northward invasion on the Korean peninsula, not the threat of a southward invasion. With the forward deployment of 80 percent, or more than 90 percent of the South Korean, offensive arms into the Military Demarcation Line and near the area, the U.S. imperialists have daily perpetuated a military provocation in the area to make an excuse for waging a new war. Therefore, their violent remarks on someone's threat of invasion are preposterous.

The U.S. imperialists cannot hide their indiscriminate war plot, which has caused aggravated tensions, and their increased threat of war in our country. In addition, they cannot justify their occupation of South Korea.

Moreover, what we cannot overlook it that Riscassi made remarks on something like "response." This means that they will rapidly and collectively wage a war of northward invasion at any time. With it, they have shown their arrogance as it is.

In particular, the U.S. imperialists, who have become very arrogant after the Gulf war, have announced that, after the Persian Gulf area, the Korean peninsula is the most dangerous area in the world where a war may be waged at any time. They have mapped out a war scenario to conduct a grim battle for 120 days with reinforcements of approximately 200,000 soldiers in the shortest period in case that war is waged on the Korean peninsula. With their attempt to implement the scenario, we cannot guarantee that the U.S. imperialists will not wage a war in our country.

Recently, the U.S. imperialists and the South Korean puppets have daily committed dangerous acts of armed provocation on the Military Demarcation Line and near it. This is also an intentional plot to wage a new war.

All facts show that the U.S. imperialists, considering a war on the Korean peninsula an established fact, are making efforts to dominate all of Korea by waging an aggressive war. However, this is a foolish daydream.

Our people value peace but are never afraid of war. In addition, our people absolutely will not forgive someone provoking us. If the U.S. imperialists miscalculate our people's peaceloving efforts as an expression of weakness and start a fire to wage an aggressive war, they will be burned to death in the fire forever.

The U.S. imperialists should correctly see the reality and behave with discretion. In conformity with the demand of our people and the world's people, the U.S. imperialists should immediately withdraw from South Korea with their all aggressive weapons.

U.S.-ROK Wartime Host Pact Called 'Criminal'

*SK1009103991 Pyongyang KCNA in English
1022 GMT 10 Sep 91*

["Criminal War 'Agreement' Menacing Peace in Korea"—KCNA headline]

[Text] Pyongyang September 10 (KCNA)—NODONG SINMUN today comes out with a by-lined article accusing the U.S. imperialists and the South Korean ruling group of deciding to conclude a "War-Time Host Nation Support Agreement" and initialling it recently.

The author of the article says that it is an aggressive and predatory "agreement" under which the U.S. imperialists seek to strengthen their military domination over South Korea, round off preparations for a new war and commandeer more effectively all the manpower and material resources of South Korea for the execution of the war of aggression.

The "agreement" stipulates that the South Korean puppets should offer to the U.S. troops all the military roads, Pusan, Inchon and other main ports and all the public buildings across South Korea in the peacetime, not to speak of wartime, if the United States demands them, make thorough preparations such as constant stockpile of materials, control of equipment and mobilization of personnel for the U.S. forces and fully bear the cost of military exercises staged under various names in a peacetime.

Under the "agreement", the U.S. imperialists have the right to freely draft manpower and material resources of South Korea and the South Korean puppets bear unilateral obligations to satisfy the U.S. demands.

This "agreement" is, in the final analysis, a document of aggression and treachery between master and his servant between the aggressor and his lackey.

Branding this "agreement" as a criminal war "agreement" gravely menacing peace on the Korean peninsula, the article continues:

In forcing the conclusion of this "agreement," the U.S. imperialists seek to create a precondition for introducing into South Korea aggressive armed forces without restriction from the U.S. mainland and overseas aggressive bases in case they ignite a war in Korea. Herein lies the aggressive nature of the "agreement" which menaces peace and increases the danger of war on the Korean peninsula.

The United States and the South Korean ruling quarters must immediately scrap the aggressive and treacherous war "agreement", replace the Armistice Agreement with a peace agreement and head for adopting a North-South nonaggression declaration.

ROK Group Comments on U.S. Troops, Weapons

SK1009061191 Pyongyang KCNA in English 0544 GMT 10 Sep 91

[Text] Pyongyang September 10 (KCNA)—A spokesman of the South Korean National Democratic Front [Hanminjon] published a commentary on September 7 in connection with the lapse of 46 years since the U.S. imperialists occupied South Korea, according to radio Voice of National Salvation.

The commentary says that the U.S. forces' entry into South Korea was an occupation by aggression forces based on the world domination strategy of the White House which tried, after the Second World War, to annex South Korea militarily and use it as a bridgehead for Asian aggression.

In view of the changes of world situation which is going towards detente of the global community and denuclearization of the planet, the U.S. forces have no excuse to justify the presence of their nuclear weapons, it noted, and added:

The U.S. imperialists are still seeking to maintain the system of colonial division through a permanent stationing of their forces behind the smoke-screen of "transfer of the military supreme command" and "phased withdrawal" doctrine. It is a mockery of our people aspiring after independence against the U.S. and a sheer deception to lull the daily-growing anti-U.S. movement.

The United States must look squarely at our people's will against it and the trend of the times and immediately pull its more than 40,000 troops and 1,700 or more nuclear arms from this land.

The commentary calls upon all the people to join as one in the all-people anti-U.S., anti-nuke struggle and more vigorously wage the struggle to smash the fascist "security-orientated rule" of the No Tae-u group, a pro-U.S. flunkeyist traitor clique.

Nonaligned Document Supports Korean Reunification

SK1009105591 Pyongyang KCNA in English 1029 GMT 10 Sep 91

[Text] Pyongyang September 10 (KCNA)—The final document adopted at the foreign ministers conference of the nonaligned countries expresses support for the cause of the independent and peaceful reunification of Korea.

Referring to the Korean question, it says the "Nonaligned Movement should support the achievement of great national unity and independent, peaceful reunification in Korea on the basis of the July 4, 1972, North-South joint statement."

Foreign Leaders Send Anniversary Greetings

Gorbachev Message to Kim Il-song

SK1009005691 Pyongyang Korean Central Broadcasting Network in Korean 2100 GMT 9 Sep 91

[Text] The great leader Comrade Kim Il-song, president of the DPRK, received a message of congratulations from Comrade Mikhail Sergeyevich Gorbachev, president of the USSR, on the occasion of the 43d anniversary of the founding of the DPRK.

The message reads:

Pyongyang

To Comrade Kim Il-song, president of the DPRK:

On the occasion of the 43d anniversary of the founding of the DPRK, I offer congratulations to you and all of the people in your country.

I hope that the relations between our two countries, which were formed long ago, will be maintained and filled with a new substance in the interests of the two states, moving in the direction of the serious international changes and changes in the Far East and Asia and the Pacific.

I wish the working people of the DPRK peace and happiness as well as peaceful reunification of the country.

[Signed] Mikhail Gorbachev

[Dated] 8 September 1991, Kremlin, Moscow

PRC Leaders' Greetings

SK0809134491 Pyongyang Korean Central Broadcasting Network in Korean 1200 GMT 8 Sep 91

[Text] Pyongyang September 8—Comrade Kim Il-song, general secretary of the Central Committee of the

Workers' Party of Korea and president of the Democratic People's Republic of Korea, and Comrade Yon Hyong-muk, premier of the Administration Council, today received a message of greetings sent in joint name by PRC party and state leaders Comrade Jiang Zemin, general secretary of the Central Committee of the Communist Party of China; Comrade Yang Shangkun, president of the People's Republic of China; Comrade Wan Li, chairman of the Standing Committee of the National People's Congress; and Comrade Li Peng, premier of the State Council of the PRC, on the occasion of the 43rd founding anniversary of the DPRK. The message says:

Pyongyang. Comrade Kim Il-song, general secretary of the Central Committee of the Workers Party of Korea and president of the DPRK, and Comrade Yon Hyong-muk, premier of the DPRK State Administration Council:

On the occasion of the 43d anniversary of the founding of the DPRK, we, on behalf of the Communist Party of China, the Chinese Government, and the Chinese people, send warmest holiday greetings to you and, through you, to the Workers Party of Korea, the Korean Government, and the fraternal Korean people.

The foundation of the DPRK was a brilliant success in the Korean people's revolutionary struggle and a great turn in the history of Korea.

Since the foundation of the Republic the Korean people, under the leadership of President Kim Il-song and the Workers' Party of Korea, have not only valiantly smashed imperialist aggression and interference and defended the country's independence and sovereignty but consistently adhered to the road of socialism, maintained independence, sovereignty, and self-reliance and registered tremendous successes in socialist construction, overcoming manifold difficulties.

The Korean party and Government have pursued the diplomatic policy of independence, peace, and friendship all along and made strenuous efforts to develop friendly relations wih the peoples of other countries, thus making an important contribution to defending peace in Asia and the rest of the world.

The Chinese people sincerely rejoice at the enormous successes the fraternal Korean people have made in various domains and heartily wish them new greater success in the future.

We are pleased to see that the situation on the Korean peninsula has been developing toward detente in recent years.

This is a result of the unremitting efforts of the Korean party and Government for a long time.

The Chinese party and Government highly estimate various reasonable demands and proposals of the Korean party and Government for the reunification of the country and support the policy of reunifying the country by means of a confederacy based on "one nation, one state, two systems and two governments" advanced by President Kim Il-song.

We believe that the Korean people's cause of peaceful reunification will surely be crowned with final victory.

China and Korea are close neighbours linked to each other by the mountains and waters.

To constantly consolidate and develop the Sino-Korean friendship is the steadfast policy of the Chinese party and Government.

However the international situation may change rapidly, China will as ever make all efforts to develop the traditional Sino- Korean relations of friendship and cooperation.

We sincerely wish the blood-sealed Sino-Korean friendship will be everlasting. Jiang Zemin, general secretary of the Communist Party of China Central Committee; Yang Shangkun, president of the PRC; Wan Li, chairman of the Standing Committee of the National People's Congress; and Li Peng, premier of the PRC State Council

8 September 1991

Beijing

Yasir 'Arafat Sends Greetings

SK0809104391 Pyongyang KCNA in English 0908 GMT 8 Sep 91

[Text] Pyongyang September 8 (KCNA)—President Kim Il-song of the Democratic People's Republic of Korea received a floral basket and a congratulatory letter from Yasir 'Arafat, president of the state of Palestine and chairman of the Executive Committee of the Palestine Liberation Organization, on the occasion of the 43rd founding anniversary of the DPRK.

The floral basket and congratulatory letter were handed to an official concerned today by Palestinian Ambassador E.P. to Korea Mustafa al-Safarini.

A floral basket and a congratulatory letter for the dear leader Comrade Kim Chong-il also came from President Yasir 'Arafat today.

Other World Leaders Send Greetings

SK0909092291 Pyongyang KCNA in English 0759 GMT 2 Sep 91

[Text] Pyongyang September 9 (KCNA)—Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea [WPK] and president of the Democratic People's Republic of Korea, received messages of greetings from general secretary Do Muoi of the Central Committee of the Communist Party of Vietnam and President Vo Chi Cong of the State Council of the Socialist Republic of Vietnam, President Akbar Hashemi-Rafsanjani of the Islamic Republic of Iran, President Ghulam Ishaq Khan of the Islamic Republic of Pakistan, President Meles Zenawi of the transitional government of Ethiopia, President Zhelyu Zhelev of the Republic of Bulgaria and General Secretary Eric Trevett of the Central Committee of the New Communist Party of Great Britain, on the occasion of the 43rd anniversary of the founding of the DPRK.

They noted that the Korean people under the leadership of the Workers' Party of Korea headed by President Kim Il-song have achieved remarkable successes in their endeavours for socialist construction and national reunification.

They expressed the belief that the friendly and cooperative relations between the DPRK and their countries and between the WPK and their parties will grow stronger and develop.

ROK Group Congratulates Kim Chong-il

SK0909085591 Pyongyang KCNA in English 0824 GMT 9 Sep 91

[Text] Pyongyang September 9 (KCNA)—The dear leader Comrade Kim Chong-il today received a congratulatory message from the Central Committee of the South Korean National Democratic Front [SKNDF] (Hanminjon) on the occasion of the 43rd anniversary of the founding of the Democratic People's Republic of Korea.

The message says: Comrade Kim Chong-il founded a chuche-orientated idea and theory of the government building, strengthened the government of the Republic into a powerful weapon for modelling the whole of society on the chuche idea and a thorough defender of the people's freedom and rights and consolidated still further the peculiar people-first socialist system in the Republic to be ever-victorious on solid political and economic foundations.

Under the benevolent administration of the dear leader, the people in the North have boundless pride and love for the grateful socialist system under which they have become the masters of the country and they enjoy an independent political life and an abundant and sound economic life and cultural life on an equal footing, and for the present socialist life in which the value and the worth of an independent being are stirring, and are devoting their creative power and enthusiasm to defend this superior socialist system and add lustre to it.

Comrade Kim Chong-il regards it as a mission of supreme importance to achieve national reunification in our generation and is making tireless effort, encouraging the nation, to achieve the reconciliation and great unity of the fellow countrymen in the North and the South, the driving force of reunification.

Noting that the South Korean people are dynamically advancing along the road of independence, democracy and reunification, regarding the chuche idea as a banner of independence, sovereignty and reunification, the message continues:

The movement for transformation in South Korea, guided by Hanminjon under the uplifted banner of the chuche idea, will invigorate its advance along the orbit of chuche.

Hanminjon will meet the requirement of the changing situation on its own initiative, activate the awakening and organising of people and effectively realize the unity of all strata of people and thus powerfully lead the sacred great cause of independence, democracy and reunification to a glorious vintory.

In the message the Hanminjon Central Committee wholeheartedly wishes Comrade kim Chong-il good health and long life.

Banquets, Other Activities Mark Anniversary

SK1009055291 Pyongyang KCNA in English 0515 GMT 10 Sep 91

[Text] Pyongyang September 9 [date as received] (KCNA)—The Government of the Democratic People's Republic of Korea arranged a banquet at the People's Palace of Culture today to celebrate the 43rd anniversary of the founding of the DPRK.

Present at the banquet were O Chin-u, member of the Presidium of the Political Bureau of the Central Committee of the Workers' Party of Korea and minister of People's Armed Forces; Yi Chong-ok and Pak Song-chul, members of the Political Bureau of the WPK Central Committee and vice-presidents; other senior officials of the party and the government, overseas compatriots including the members of the group of Koreans in Japan to participate the celebrations of the 43rd DPRK founding anniversary headed by Yi Mal-sang, vice-chairman of the Central Standing Committee of the General Association of Korean Residents in Japan, and chief of the mission of the South Korean National Democratic Front in Pyongyang Cho Il-min.

Invited there were foreign diplomats in our country, delegations and delegates staying here to participate in the seventh Asian ministerial meeting of the Group of 77 and other foreign guests.

Yi Chong-ok addressed the banquet.

He noted that over last 40-odd years up to date since its founding, the DPRK has covered a course of struggle shining with victory and glory along the road of socialism indicated by the chuche idea and performed great exploits in accomplishing the sacred cause of shaping the destiny of our people and achieving country's prosperity and development.

He went on:

On the road of socialism, our people have become the full-fledged masters of their destiny, free from the exploitation and oppression once and for all and our country has turned into a powerful, dignified country of chuche independent, self-supporting and self-reliant in national defence which is not subjugated by or dependent on others in all fields.

Under most superior man-centred socialism of our own style where the chuche idea is embodied, our people are all enjoying the worthiest political life and happy, worthwhile hopeful economic life, sound and lofty ideological and cultural life as an independent man; the entire people are single-heartedly united around the party and the leader and are vigorously advancing toward a new victory of revolution with confidence and optimism.

All the miraculous changes and proud successes made in our country under the banner of socialism are the brilliant victory of the independent line and policies consistently maintained by our party and the government of the DPRK and the precious fruition of the devoted labour endeavours of our people who are devoting themselves to implement them.

The DPRK Government will in the future, too as in the past energetically carry on the three revolutions, ideological, technical and cultural, while strengthening the people's power and constantly enhancing its function and role along the road of socialism indicated by the chuche idea and thus give display to the superiority of our people-first socialism in an allround way and bring the socialist cause of chuche to a brilliant accomplishment.

Referring to the question of national reunification, he said:

The DPRK Government and our people will frustrate the "two Koreas" plot and new war provocation moves of the splittists within and without and wage a stubborn struggle to make the 1990s a historic decade of national reunification and thus surely achieve the reunification of the country.

The DPRK Government which takes independence, peace and friendship as the basic idea of its external policy will as ever make every effort to develop the friendly and cooperative relations with the socialist countries, non-aligned countries and other nations of the world and energetically strive to build a free, peaceful new world free from all manner of domination and subjugation and to build an independent and prosperous new Asia in firm unity with the peace-loving forces of the whole world.

O Chin-u, Officials Attend Meeting

SK1009073191 Pyongyang KCNA in English 0549 GMT 10 Sep 91

[Text] Pyongyang September 10 (KCNA)—An evening of working people and students in Pyongyang was held at Kim Il-song Square Monday in celebration of the 43rd anniversary of the founding of the Democratic People's Republic of Korea.

Present there were O Chin-u, Yi Chong-ok, Pak Song-chol and other senior officials of the party and the government; head of the congratulatory group of Koreans in Japan for the 43rd anniversary of the founding of the DPRK Yi Mal-sang; vice-chairman of the Central Standing Committee of the General Association of Korean Residents in Japan (Chongnyon); and overseas compatriots.

Foreign delegations and delegates visiting Korea to participate in the seventh Asian ministerial meeting of the Group of 77 and foreign guests staying in Korea were present on invitation.

The delighted and exultant hosts and guests enjoyed the evening of the significant holiday dancing to the tune of the music played by artistes on a large makeshift stage in the center of the square which was turned into a sea of flowers, as bright as day, while thousands of fireworks went up into the sky.

Korean Group in Japan Celebrates Anniversary

SK1009101491 Pyongyang KCNA in English 0958 GMT 10 Sep 91

[Text] Pyongyang September 10 (KCNA)—A central meeting of Koreans in Japan was held at the Korean House of Culture in Tokyo on September 7 to celebrate the 43rd founding anniversary of the DPRK, according to a KNS report from Tokyo.

Han Tok-su, chairman of the Central Standing Committee of the General Association of Korean Residents in Japan (Chongnyon), made a speech at the meeting.

The founding of the Republic was a great auspicious event which brought the position of the people up to the status of genuine masters of an independent and sovereign state for the first time in the long history of our nation, and an event of world historic significance which gave birth to the first chuche-oriented people's power in human history, the speaker noted.

Today our Republic, he said, under the wise leadership of the great leader Marshal Kim Il-song and the dear leader Comrade Kim Chong-il, is victoriously blazing the trail toward the complete victory of socialism in accordance with the most correct chuche line.

It is because Chongnyon and Koreans in Japan have the great homeland that they, though living in an alien land, are displaying their national dignity and rights as citizens of an independent and sovereign state and vigorously carrying on the patriotic work for the homeland and the nation from generation to generation, filled with confidence, he added.

A congratulatory message to Marshal Kim Il-song was adopted at the meeting.

Japanese Figures Attend Reception

SK1009072191 Pyongyang KCNA in English 0624 GMT 10 Sep 91

[Text] Tokyo September 9 (KNS-KCNA)—The Central Standing Committee of the General Association of

Korean Residents in Japan (Chongnyon) gave a reception at the Korean Hall in Tokyo to celebrate the 43rd anniversary of the founding of the Democratic People's Republic of Korea.

Present at the reception were Chairman Han Tok-su; first vice-chairman Yi Chin-kyu and other vice-chairmen of the Chongnyon Central Standing Committee; director general of the Secretariat and department directors of Chongnyon; leading officials of organisations and enterprises under Chongnyon.

Shin Kanemaru, former deputy prime minister of Japan and supreme advisor to the Dietmen's League for the Promotion of Japan-Korea friendship; Makoto Tanabe, chairman of the Central Executive Committee of the Japan Social-Democratic Party [JSDP] and supreme advisor to the League; Takako Doi, former chairperson of the Central Executive Committee of the JSDP; dietmen from the JSDP; Kazuo Dorii, Komei member of the House of Representatives; Shinji Sakai, former president of the KYODO News Service; Ryosuke Yasue, director of Iwanami Bookstore; Shuhachi Inoue, director general of the International Institute of the Chuche Idea; Akira Iwai, chairman of the Japanese Committee for Supporting the Independent and Peaceful Reunification of Korea; Hiroshi Wakabayashi, vice-president of the International Liaison Committee for the Reunification and Peace in Korea,;and other figures of Japan, foreign diplomatic envoys in Japan, more than 500 from 37 countries, were present there.

The reception proceeded in a friendly atmosphere.

Greetings to Kim Il-song

SK0909083991 Pyongyang KCNA in English 0802 GMT 9 Sep 91

[Text] Pyongyang September 9 (KCNA)—The great leader Marshal Kim Il-song today received a congratulatory message from the Central Standing Committee of the General Association of Korean Residents in Japan (Chongnyon) on the occasion of the 43rd anniversary of the founding of the Democratic People's Republic of Korea.

The message said: Our Republic under the wise guidance of the dear leader Comrade Kim Chong-il, holding in high esteem you the great leader, has thoroughly embodied the principles of independence, self-sustaining and self-support in national defence in all fields of state activities under the uplifted banner of the chuche idea and thus achieved a single-hearted unity of the leader, the party and the masses, the source of the invincible might for the cause of socialism.

It is unthinkable apart from the wise guidance of you the great leader and the sagacious leader Comrade Kim Chong-il that our Republic has covered the road of victory under the grim trials and manifold difficulties in the past period and built with confidence the socialism of our own style without vacillation under the present situation in which the imperialists and international reactionaries are engrossed in the anti-socialist moves.

The Koreans in Japan who were groaning as a ruined nation in the past are conducting their sacred patriotic activities and now displaying the highest honor of the pioneer of the overseas compatriots movement of the world, united around Chongnyon. It is because our Republic leads and takes care of the Koreans in Japan with correct policy of overseas compatriots and compatriotic steps.

Chongnyon functionaries and Koreans in Japan should staunchly advance along the road indicated only by you the great leader and the dear leader Comrade Kim Chong-il no matter what change may take place around us, resolutely defend the socialist homeland of chuche from the anti-socialist and anti-DPRK moves of the international reactionaries including the U.S. imperialists, and make a greater contribution to socialist construction in the motherland.

We will further strengthen the contacts and unity with the Koreans in the North, South and overseas in hearty response to the teachings of you the great leader on achieving national reunification with the great unity of our nation, frustrate the anti-reunification maneuverings of the splittists and thus make a greater contribution to the reunification in the '90s.

The message wholeheartedly wished Marshal Kim Il-song good health and long life.

Message to Kim Chong-il

SK0909092591 Pyongyang KCNA in English 0817 GMT 9 Sep 91

[Text] Pyongyang September 9 (KCNA)—The dear leader Comrade Kim Chong-il today received a congratulatory message from the Central Standing Committee of the General Association of Korean Residents in Japan (Chongnyon) on the occasion of the 43rd anniversary of the founding of the Democratic People's Republic of Korea.

The foundation of the Republic was a great jubilee which heralded the birth of an independent people for the first time in the history of our nation and opened a new epoch in the chuche era and an epoch-making event which made the position and the dignity of our nation shine all over the world, the message says, and continues:

The proud road along which the socialism of our own style, the embodiment of the chuche idea, has struck deep roots in the homeland and its advantages and vitality have been brought into full play is adorned with the outstanding ideological and theoretical activities, seasoned guidance and immortal exploits of the dear leader Comrade Kim Chong-il who is carrying forward the cause of the great leader Comrade Kim Il-song.

The dear leader has upheld the banner of the three revolutions, ideological, technical and cultural, and powerfully aroused the entire people to their implementation and thus converted our homeland into a country of a singlehearted unity with which the leader, the party and the masses are integrated, into a people's paradise in which the popular masses enjoy an independent and creative life as genuine masters of the country and the society.

The dear leader has deeply trusted in the Chongnyon functionaries and Koreans in Japan as members of accomplishing the cause of chuche and led them with his loving care along the road of worthwhile struggle to contribute to the prosperity of the socialist homeland of chuche and the cause of reunification.

Chongnyon functionaries and Koreans in Japan will ardently love the chuche socialist homeland, resolutely defend it from the anti-socialist, anti-DPRK moves of the enemies at home and abroad and thus make a greater contribution to socialist construction in the homeland.

They will strengthen more firmly national unity and organizational tieup with Koreans in the North, South and overseas under the condition that the fervor of our nation for reunification is growing as never before and the situation is in favour of the cause of reunification, decisively frustrate the "two Koreas" plot of the enemies at home and abroad and make a greater contribution to the cause of reunification in the '90s with the whole national unity. The message wholeheartedly wishes Comrade Kim Chong-il good health and long life.

KCNA Reviews 7 Sep Pyongyang Press

SK0709061391 Pyongyang KCNA in English 0455 GMT 7 Sep 91

[Press review]

[Text] Pyongyang September 7 (KCNA)—Papers here today carry a letter to Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, sent by Georges Pattas, chairman of the West European Committee for the Reunification and Peace of Korea, on behalf of the participants in the conference of European political parties and organisations for the creation of a nuclear-free, peace zone on the Korean peninsula.

Appearing in the press are an account of the conference held in Vienna, a keynote report and a supplementary report, speeches of foreign delegates, an appeal to the governments, parliaments, political parties and public organisations of all countries and international organisations and a letter to the chairman of the Board of Governors of the International Atomic Energy Agency adopted at the conference.

Carried in the press are messages of greetings to President Kim Il-song from foreign state leaders on the occasion of the 43rd anniversary of the founding of the Democratic People's Republic of Korea.

South Korean people are deeply revering the great leader President Kim Il-song as the sun of the nation and the national delegation of the Dietmen's League for the Promotion of Japan-Korea Friendship highly praised him as a great man respected and trusted by the world people, says NODONG SINMUN.

Given in the paper is an account of a seminar on "Our Socialism for the People Will Not Perish," a work of the dear leader Comrade Kim Chong-il, held in Tanzania.

The Central Committee of the Workers' Party of Korea [WPK] sent messages to foreign parties and party leaders in reply to their messages on the occasion of the month for solidarity with the Korean people and the 38th anniversary of the Korean people's victory in the fatherland liberation war, according to the paper.

Carried in the paper is a message of greetings sent by the WPK Central Committee to the annual convention of the Social-Democratic Party of Denmark.

World public has been struck with admiration at the leaping progress of Korea, speaking highly of the wise guidance of Comrade Kim Chong-il that worked wonders, says the paper.

MINJU CHOSON tells a story about an ordinary soldier of the Korean People's Army who has become a writer who wrote lots of famous poems for songs under the boundless trust and loving care of Comrade Kim Chong-il.

The paper editorially calls for more deeply cherishing the firm conviction that our socialism is the best and for fighting for the victory of the cause of socialism.

NODONG SINMUN reports that immortal letters embodying the Korean nation-first spirit have been found in the revolutionary slogan-bearing trees dating back to the period of the anti-Japanese revolutionary struggle.

Given in the paper are accounts of meetings held to mark the 30th founding anniversary of Kim Chong-sok University of Education, Kim Hyong-kwon University of education and Saenal University.

Papers carry articles in connection with the opening in Pyongyang today of the seventh Asian ministerial meeting of the Group of 77.

Econews of the press includes reports about maize harvesting and the brisk project of replacing equipment with large-sized and modern one at the Hungnam fertilizer complex.

Given in the press is an account of a reception arranged by the Chinese People's Association for Friendship With Foreign Countries and the China-Korea Friendship Association on the occasion of the 43rd founding anniversary of the DPRK.

South Korean news columns of the press include a report that delegates of the National Council of Student Representatives (Chondaehyop) demonstrated in demand of a simultaneous nuclear inspection of the North and South and signing of a peace agreement.

The press denounces the never-ceasing ground and aerial war exercises of the U.S. imperialists and the South korean puppets against the North.

NODONG SINMUN informs the readers that Attila Pozsonyi, vice-chairman of the Hungarian Socialist Workers' Party, visiting Korea, spoke highly of the advantages of socialism of Korean style.

International news of the press includes reports that a celebration of the 30th founding anniversary of the Non-aligned Movement was held in Ghana, the Chinese People's Association for Friendship with Foreign Countries lodged a protest with U.S. Congressmen against their violation of law in the Tiananmen Square and the extraordinary meeting of the Soviet People's Deputies was held.

NODONG SINMUN introduces Cuba's achievements in socialist construction.

A NODONG SINMUN article says that it is an urgent demand for peace in Asia and the rest of the world to ward off a nuclear war and guarantee durable peace on the Korean peninsula.

KCNA Reviews 9 Sep NODONG SINMUN

SK0909100191 Pyongyang KCNA in English 0853 GMT 9 Sep 91

[Text] Pyongyang September 9 (KCNA)—Today is the 43rd anniversary of the founding of the Democratic People's Republic of Korea.

Papers here dedicate editorials to this occasion.

NODONG SINMUN in an editorial headlined "Let Us Further Glorify Our Republic With Great Pride and Honor" says:

The great leader Comrade Kim Il-song laid a sturdy historical foundation of the DPRK which will not be shaken in any storm and founded it and thus accomplished the cause of state building with credit; it is his undying historical feat for the country and the people.

The founding of the DPRK was the birth of an independent power guided by the chuche idea; it is a historical event that brought about an epoch-making turn in the development of our revolution and the life of our people.

The founding of the DPRK firmly provided a fundamental guarantee for the building of man-centred superior socialism.

Over the past 40 odd years our Republic has vigorously advanced along the road on independence indicated by the chuche idea through the historical grim trials and won a great victory in the revolution and construction.

The great leader Comrade Kim Il-song has taught:

"The history of 40 years of the Democratic People's Republic of Korea is, indeed, annals of a brilliant victory of an independent people who, under the banner of the chuche idea, have frustrated the challenges and obstructive moves by the enemies at home and abroad and forged ahead along the road of socialism; it is a history of great creative undertaking to build a new socialist life by drawing on the unfathomable strength of the masses, life which is vibrant with worthwhile activities and with a soaring revolutionary spirit."

Elaborating on the pride and honor of our people in the historical course covered by the DPRK, the editorial stresses:

It was thanks to the wise guidance of the party and the leader that our Republic has been able to adorn the history of victory without the slightest vacillation and turns and twists in the past.

The great leader Comrade Kim Il-song, the founder and guide of the DPRK, has firmly established chuche in all spheres of state activities and built a strong driving force of the revolution since he provided the historical root on the DPRK, thereby leading our Republic to a straight road to victory.

The dear leader Comrade Kim Chong-il, regarding the leadership of the party as the lifeblood of socialism and a powerful weapon for state building, built up the party before anything else and sharply increased the driving force of the revolution by uniting the people under the slogan of the modelling of the whole society on the chuche idea.

Today our people are confronted with heavy tasks to achieve the complete victory of socialism and hasten the independent reunification of the country by giving full play to the advantages of socialism for the people, the editorial points out, adding: To achieve national reunification is the supreme desire of the entire Korean nation and our nation can never hand the task to realise the reunfication of the country down to the posterity.

The entire Korean nation should realise national concord and reunification on the basis of enthusiastic patriotism and the spirit of national independence and strengthen solidarity for national reunification among the whole nation and thus reunify the country independently in a peaceful way without fail in the 90s.

Independence, peace and friendship are the basic idea of the foreign policy of the government of our Republic. We will continue to maintain the idea thoroughly in order to steadily develop international relatignship. Our people will resolutely safeguard the cause of socialism invariably under whatever circumstances and dynamically advance along the road of socialism under the banner of independence. The government of the Republic will fully support the struggle of the peoples of all countries to attain national liberation and social progress and defend world peace and security and further strengthen and develop friendly ad cooperative relations with the peoples of all countries of the world who advocate independence.

KCNA Reviews 10 Sep NODONG SINMUN

SK1009073391 Pyongyang KCNA in English 0610 GMT 10 Sep 91

[Text] Pyongyang September 10 (KCNA)—NODONG SINMUN today carries messages of greetings to Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, from foreign party and state leaders on the occasion of the 43rd founding anniversary of the DPRK.

Appearing in the paper are an account of a banquet arranged by the government of the DPRK on the national day and a speech of Vice-President Yi Chong-ok at the banquet.

On this occasion senior officials of the party and the government, working people and people's army soldiers laid wreaths at the revolutionary martyrs cemetery on Mt. Taesong, the patriotic martyrs cemetery and the monument to the fallen fighters of the Korean People's Army, according to the paper.

Given in the paper are accounts of an evening dance party of working people, youth and students in Pyongyang and of receptions given at the DPRK Embassies in China and the USSR in celebration of the national day.

Works of the great leader President Kim Il-song were studied and disseminated abroad and XINHUA reported about on-the-spot guidance of President Kim Il-song in various domains of the national economy in North Hamgyong Province, says the paper.

An article of the paper tells that after the liberation President Kim Il-song put forward a policy of establishing a central government for the whole of Korea and wisely led the struggle to carry it into practice.

Meetings of youth and students were held in different parts of the country to carry through the tasks laid down in "Young Men and Women, Be the Young Vanguard Unfailingly Loyal to the Party and the Leader," a work of the dear leader Comrade Kim Chong-il, and the work was reported in different countries, informs the paper.

The paper rounds up voices of South Korean people deeply revering President Kim Il-song and Comrade Kim Chong-il as the lodestar of reunification.

The paper reports about the completion of the project of spring water and hot spring mineral water in Lake Chonji for excursionists to the revolutionary battle sites in Mt. Paekdu.

Carried in the paper are a profile of Namibian Prime Minister Hage Geingob and an editorial article welcoming the Korea visit of a Namibian Government delegation.

The presidents of Nicaragua and Guinea met with the Korean ambassadors to their countries and the Korean ambassador presented his credentials to the head of state of Mali, says the paper.

Given in the paper is an account of the sojourn of the participants in the seventh Asian ministerial meeting of the Group of 77.

Foreign friends emphasized that invincible is the strength of the Korean people rallied close around the party and the leader, reports the paper.

The paper gives an account of a press conference called by Kim Hui-won, ex-chairman of the Kangwon Provincial district party committee of the South Korean "Reunification Democratic Party" and central permanent member of the "Democratic Liberal Party", who has settled down in Pyongyang.

The paper carries an article on the gloomy prospect of the South Korean economy, an article about the anti-war, anti-nuke struggle of the South Korean people gaining in scope and strength and an article laying bare the treacherous nature of the "wartime host nation support agreement" to be concluded between the U.S. imperialists and the South Korean puppet ruling group.

A meeting was held in Tokyo to back So Chun-sik's struggle against the fascist evil laws, and world public exposed the reactionary nature of the design of the South Korean puppet ruling group for "unification through absorption", according to the paper.

The Chinese PEOPLE'S DAILY carried an editorial on the occasion of the 43rd anniversary of the foundation of the DPRK and the Non-Aligned foreign ministers conference closed, says the paper.

The paper introduces the endeavours of the Namibian people to build a new Namibia.

A spokesman for the foreign ministry of China exposed the illegal acts of U.S. Congressmen in Tiananmen Square and Radio Hanoi laid bare the anti-communist plot of the CIA of the United States, says the paper.

"Peace Process in Cambodia Which Has Entered a New Phase" is the title of a NODONG SINMUN article.

South Korea

Security Tightened Around U.S. Facilities

SK1009014191 Seoul THE KOREA HERALD in English 10 Sep 91 p 3

[From the "Local News Briefs" column]

[Text] Seoul Police yesterday ordered beefed-up security around the American Embassy and military facilities and residences of U.S. citizens in Seoul.

The Seoul Police Administration said that surprise attacks on U.S. facilities are expected during the two-week period, starting Sept. 5, which students activists declared a "struggle period for the denuclearization and reunification of the Korean Peninsula."

The police said that it was informed that Chondaehyop [National Council of University Student Representatives], the nation's largest dissident students' group, would stage anti-U.S. rallies during the Sept. 5-20 period.

Two Students Arrested Outside U.S. Army Base

SK1009100391 Seoul YONHAP in English 0949 GMT 10 Sep 91

[Text] Seoul, Sept. 10 (YONHAP)—Two student activists attempted Tuesday to deliver an open letter to Gen. Robert RisCassi, commander of the U.S. Forces Korea, demanding a simultaneous international inspection of nuclear installations in South and North Korea and denuclearization of the Korean peninsula.

The two, identified as Kim Hyon-sung, a freshman of Korea University, and Yi Kwang-cho, a senior of Hansung College, were intercepted, and escorted away, by police at the main entrance of the Eighth U.S. Army headquarters.

The protesters argued in their letter that the United States is deliberately covering up the truth of nuclear armament of its forces based in Korea with its neither-confirm-nor-deny [NCND] policy. They called on Gen. RisCassi to reveal whether Washington was ready to give up the NCND policy and dismantle nuclear weapons in the South.

* Trade Deficit With United States To Continue

912C0260A Seoul CHUGAN MAEKYONG in Korean 26 Jun 91 pp 47-50

[Article by reporter Yi Che-kyong: "How Long Will This Trade Deficit Era With the United States Continue? The March of Deficits On Since the Beginning of This Year; No Signs of Reversal"]

[Text] These days people returning from visits to the United States are unanimous in saying that imports from Korea can hardly be found in department stores over there. For instance, in The Broadway in Los Angeles, "Made in Korea" products had been more or less ubiquitous until a few years ago; however, according to Song Song-su, chief of the America Section of the Korean Trade Promotion Corporation, who recently visited The Broadway, the change is rather shocking. "I could no longer find any 'Made in Korea' goods in The Broadway. The store was just full of things made in China or Sri Lanka," he said.

Shoes and clothes made in China looked better than our products, said Mr. Song.

Trade Surplus on the Decline Since 1988

Made-in-China goods that pushed Korean products away from the shelves are not confined to shoes and clothes. In electronics, too, Chinese exporters are outmaneuvering Korean counterparts.

American department stores that deal chiefly in medium- and low-price goods are no longer interested in Korean products, which in fact are shunned by consumers because they are more expensive than imports from developing countries despite the similarity in quality.

These facts are well reflected in the ROK-U.S. trade balance. Our country registered its first surplus in the U.S. trade in 1982. The size of surplus, which began with $163 million, peaked in 1987 with $9.553 billion by recording $18.311 billion in exports against $8.758 billion in imports. It was an all-time high.

Starting in 1988, however, the surplus began shrinking slowly. The 1988 surplus of $8.647 billion fell to $4.728 billion in 1989, and further to $2.418 billion in 1990, showing a radical downturn.

In 1991, the trade with the United States went into the red from January. After enjoying surpluses for nine years, 1982-90, our country now was miserably bridled with trade deficits.

This year again, U.S.-bound freighters from Korea are virtually empty while those from the United States are all loaded even beyond capacity. Korea is now importing more than it exports.

Needless to say, it is not because of any radical decline in exports that our country began registering deficits in its trade with the United States. It is because imports are increasing much faster than exports.

The deficit trend that began in January this year was still on in April. Fortunately, exports to the United States in April gained 2.1 percent over the same month last year but imports from the United States increased a whopping 29.2 percent, adding to the deficit speed.

The fact that we are recording deficits in the U.S. trade is something we cannot afford to take lightly. The United States is our biggest export market; therefore, the trade deficit with it means a "KO punch" to Korea's overall export strategy.

Furthermore, the problem could be less serious should the decline in our exports be blamed on a recession in the U.S. economy, for a U.S. economic recovery would lead to an expanded demand for imports—and eventually to increased imports from Korea.

However, it could be more serious if it is not an economic recession in the United States but an inferior industrial structure on our part that is responsible for the deficits. In other words, if we can no longer maintain our relative superiority in the simple labor-intensive industries on which we had relied for competitiveness, there will be no guarantee for our future gains in exports even if the U.S. economic recovery materializes. This is the agonizing aspect of the problem.

It is extremely important to examine where our U.S. trade is lagging. By doing so, we can learn that products of our simple labor-intensive industries are really losing their competitiveness in the U.S. markets.

Sagging Container, Toy Exports

The export item shunned most heavily by U.S. consumers this year is containers. Korea is No. 1 export country for containers. Why is it that such a leading export item was given a cold shoulder from the Americans?

The biggest factor for the fall is the refrigerator container. Containers are divided into three types—steel, aluminum, and refrigerator. Of the container exports to the United States last year, refrigerator containers accounted for approximately 17.4 percent. This year, while there has been little change with exports of steel and aluminum containers, statistics indicate that those of refrigerator containers fell as much as 63 percent in comparison with last year. The reason for the decline is a sharp fall in the U.S. demand due to the expected control on the Freon gas currently used in the refrigerator container.

According to explanations by interested sources, however, the prospects of a recovery are bright as Zenstar, a leasing company and the biggest importer of containers, is likely to increase its imports in the future.

Other Korean export goods that have lost popularity are toys and dolls, exports of which for the January-April period this year totaled $72 million, which is 28.5 percent less than the same period last year.

The slump in the toy and doll exports is primarily due to the less competitive prices of our products. While the demand for toys generally shifted in favor of electronic toys, our export firms persisted in stuffed toys, despite the fact that China and Southeast Asian countries had taken over our market shares in stuffed toys. Consequently, unless our export structure in the area of toys and dolls shifts its emphasis to electronic toys and dolls, it is difficult to expect a future recovery.

Exports of rubber products and textile goods have also decreased sharply—by 25.4 percent and 24.2 percent respectively. In fact, textile goods had been the leading export item. In the final analysis, it is by no means an exaggeration to say that we owe our present economic developments to the self-sacrifices by those skilled workers who worked so hard at textile industry complexes. However, the time came and textile exports began slowing down. Now it is an old story that exporters once made money by exporting textile goods.

Products that have aggravated deficits in the U.S. trade include shoes, leather and fur products as well as plastics and organic chemicals.

Especially, Korea's shoes exports, virtually unchallenged in international markets through last year, have declined 14.1 percent this year. The figure shows how difficult it is for the industry to find buyers for its products. The rush of orders for high-class shoes from such major U.S. shoe companies as Nike, Reebok and L.A. Gear which had continued through last year came to an abrupt halt this year, driving the industry to the wall. Such highest-class products as "Pump Shoes" can now be made in China where wages are lower; as a result, Korea is no longer in demand to make them. This in a way is the weak point of OEM [original-equipment manufacturing] exports, for the importers can always move their business to wherever costs are lower.

Auto exports are also on the sharp decline. The exports for the first four months this year were $689 million, which is a 25.6 percent gain over the same period last year; however, shipments to the U.S. market—accounting for approximately 45 percent of the total exports—fell as much as 6.1 percent.

Absolute Export Decline the Cause

While exports of electric and electronic parts to the United States gained as much as 22 percent in this period, those of electronic appliances decreased 7.2 percent. And of those appliances, the fall was particularly severe with the microwave oven, color television sets and cassettes. However, exports of VTRs, unlike these items, increased 61.7 percent, a factor that greatly contributed to reducing the slide in the electronics exports to the United States.

For the January-April period, Korea recorded $6.376 billion in imports from the United States against $5.398 billion in exports. Thus, imports exceeded exports by $978 million. The imports indicate a 19.3 percent increase over the same period last year.

While the increased imports resulted in worsening trade deficits, the item that marked the largest gain was petroleum products. The Gulf War made the gain inevitable.

Next to petroleum products came the imports of aircraft products which increased as much as 157.5 percent to $524 million.

Virtually all kinds of goods but farm and paper products began flooding Korean markets. Imports of fishery products in particular showed a whopping 65.7 percent gain.

This is the first time our country has fallen into the red in its trade with the United States since 1982. The biggest factor for it, after all, lies in the fact that imports exceeded exports. That is not to say that exports increased, however.

Our exports to the United States began to decline in absolute figures in 1989 after marking $21.404 billion in 1988, a record high. The 1989 figures signaled the start of a downward trend with $20.638 billion, followed by $19.359 billion in 1990. Our exports were no longer what they had been.

While our country slid to a trade deficit country in 1990, the first decline ever in the absolute amount of exports had come in 1989.

Korea thus recorded a minus growth in 1989 in the U.S. markets, the largest for its exports.

Although Korea exported less to the United States starting 1989, the trade balance still stayed in the black. However, 1990 proved to be the last year of the surplus era. The balance fell in the red since the beginning of this year.

The problem is that only Korea is showing losses in the U.S. trade while all its rivals are doing fine.

In fact, the surpluses with the United States had prompted Washington's trade pressure on Korea. Considering this point, Korea in some cases began importing from the United States what it had imported from Japan, in a visible effort to reduce the size of surplus. As the result, it is no longer a surplus but a deficit nation.

On the other hand, its rivals such as Japan, Taiwan, China and Hong Kong continue to enjoy large surpluses in their trade with the United States.

According to data of the U.S. Department of Commerce Statistics Bureau, the U.S. deficits to Japan had reached $10.196 billion as of March this year. In other words, Japan had earned that much in trade with the United States.

Japan is not alone. The U.S. deficits with China and Taiwan are also considerably large.

For the same period, it recorded $2.188 billion and $2.029 in deficits with China and Taiwan respectively. It is only with our country that it scored a surplus, up to $132 million.

Why is it that China, Hong Kong and Taiwan are having good times in the U.S. markets but Korea fell in the red?

Answering, many experts cite Korea's decline in competitiveness caused by higher wages and the lagging technology development. Business communities agree with them.

Everyone knows we are becoming uncompetitive, and why. But neither management nor labor will readily come forward with a solution.

It is seen as impossible to cut back on wages to correct the problem. Then, the solution would be simple: technology development is the only way left for our business circles to regain competitiveness.

Return to Surplus Not Impossible

Some disagree with the opinion that the surplus era in the U.S. trade is gone forever.

They cite the reason that as the U.S. economy slowly recovers, its exports are likely to gain accordingly. In fact, WEFA, a noted U.S. econometrics institute, in its "Report on U.S. Economic Prospects" published in March 1991, predicted gains in exports and imports. According to the report, the average export and import increases this year will be 4.2 percent and 4.1 percent respectively. Based on the gain factor of 1.0 percent and the minus factor of 0.8 percent for the first quarter, the report forecasts a sustained boom for the second half of the year.

The report predicted that 1992 would be even brighter with a 5.3 percent increase in exports and a 5.4 percent gain in imports.

On the other hand, many argue that whatever recovery the U.S. economy may make, the deficit balance will not turn to a surplus.

Explaining, they say that even if the U.S. economy recovers and our exports increase, the deficits will continue as long as our imports remain on the increase as they are now.

Also, unless our industrial structure is upgraded and high value-added products become leading export items, there will be no significant gains in exports, they say.

Now that China, Southeast Asian and South American nations have established their relative superiority in labor-intensive industries, it is seen as difficult for Korea to regain its competitiveness in this field.

Then, how should we reform our industrial structure? The answer is self- evident.

Utterly nonsensical is the alleged strategy of yielding U.S. markets to other countries and instead focusing on competitiveness in Southeast Asian or East European markets.

It is true that East European nations are endeavoring for economic developments by introducing the market economy system but the future is uncertain. Under the present circumstances, to retreat from the markets of the United States and other major industrial countries is tantamount to a suicidal act, experts say.

Whether or not Korea can have another surplus era in the U.S. trade is a task for both management and labor, as well as for the government to tackle.

Attaches Assigned to USSR, Hungary, Poland

SK1009083191 Seoul YONHAP in English 0742 GMT 10 Sep 91

[Text] Seoul, Sept. 10 (OANA-YONHAP)—Military attaches with the rank of colonel will be sent to the Soviet Union, Hungary and Poland next month, the first assigned to East-bloc nations since the fall of communism, the Defense Ministry said Tuesday.

The Ministry said it was also considering sending an attache to Romania early next year.

The attaches will be stationed in the embassies in the three countries from Oct. 1, according to the Ministry.

Hungary and Poland have yet to appoint military attaches to Korea, but the Soviet Union sent a colonel Sept. 6 and Romania sent a major general March 11.

With the additions, Korea will have military attaches in 38 countries. Twenty-five nations have military officers stationed here.

USSR's Tied-Loan Purchases May Fall Short

SK1009031691 Seoul YONHAP in English 0200 GMT 10 Sep 91

[Text] Seoul, Sept. 10 (YONHAP)—Soviet purchases with tied loans from South Korea are likely to fall short of the year's target of 500-600 million U.S. dollars if they happen at all, according to government officials.

A Soviet delegation is due here Sept. 15 to discuss the 800 million dollars in tied loans, but even if the negotiations are successful, there is a limit on shipments of 4,000-5,000 teus (twenty-foot equivalent units) worth 200-250 million dollars. The Korea Foreign Trade Association estimates a 20-foot container can carry some 50,000 dollars worth of home appliances.

Only two vessels operate on the Pusan-Vostochny route, the only direct line between Korea and the Soviet Union, and their combined weekly capacity is 750 teus. Currently, about 35 percent of their cargo is for destinations outside the Soviet Union.

Rigid trade practices and internal problems in the Soviet Union also jeopardize shipment until mid-October.

Skepticism is growing whether the first shipment can be made this year. It is uncertain who can speak for the Soviet Union in negotiations with Seoul as many republics have declared economic independence from Moscow.

Since the coup failure last month, the Soviet Bank for Foreign Economic Affairs has stopped paying import bills, bringing trade with Western countries as well as Korea to a virtual halt.

Seoul, Moscow To Sign Fisheries Pact 16 Sep

SK1009032191 Seoul YONHAP in English 0204 GMT 10 Sep 91

[Text] Seoul, Sept. 10 (OANA-YONHAP)—South Korea and the Soviet Union will sign a fisheries agreement Sept. 16 that is expected to open Soviet waters to South Korean fishermen, the Foreign Ministry said Tuesday.

Yun Ok-yong, head of the Fisheries Administration, will lead a team to Moscow Sept. 16-18 to conclude the agreement, which was initialed in January.

The agreement is likely to allow Korean ships into Soviet fishing zones under a quota system—300,000 tons in Soviet exclusive zones and 70,000 tons in international waters.

In return, the Soviets are interested in joint ventures in vessel repair and shipbuilding, Ministry officials said.

The agreement will also specify ways of joint cooperation on marine life preservation and related technology, they said.

Ministry Denies Receiving Deng Xiaoping Message

SK1009025791 Seoul THE KOREA TIMES in English 10 Sep p 2

[Text] The Foreign Ministry flatly denied a local report that Chinese leader Deng Xiaoping sent a message hoping for an early normalization of diplomatic ties between South Korea and China.

"The report is totally groundless. I think it a fabrication," a ranking Foreign Ministry official said.

DPRK Said 'Likely To Sign' IAEA Accord

SK1009080891 Seoul YONHAP in English 0754 GMT 10 Sep 91

[Text] Seoul, Sept. 10 (YONHAP)—North Korea is likely to sign the Nuclear Safeguards Accord of the International Atomic Energy Agency [IAEA] right after the IAEA governors approve the draft, a highly placed South Korean Government official said Tuesday.

North Korean Foreign Minister Kim Yong-nam, who is in Ghana at the Nonaligned foreign ministers' conference, may fly to Vienna, where the IAEA governors will be meeting from Wednesday [11 Sep], to sign the accord, or he may ink it in Pyongyang shortly afterward, the official said.

North Korea was unlikely to seek a seat on the IAEA Board at the moment, he said, but friendly neighbors had promised support for a South Korean bid.

DPRK Decision Called 'Major Issue'

SK0909021491 Seoul YONHAP in English 0115 GMT 9 Sep 91

[Text] Seoul, Sept. 9 (OANA-YONHAP)—North Korea's signing, or not signing, of the Nuclear Safeguards Accord is likely to be a major issue when the Board of Governors of the International Atomic Energy Agency (IAEA) meets Sept. 11-13 in Vienna, government officials said Monday.

North Korea and the IAEA agreed on a standard agreement July 16, and it can be signed as soon as the Board of Governors ratifies it.

"It is up to North Korea to decide whether it will sign the accord on the spot or take it back to Pyongyang and sign it later," one official said. "The government will carefully watch North Korea's action."

The standard agreement that North Korea and the IAEA settled on states that the safeguards accord goes into effect after the Pyongyang government ratifies it.

"We believe that North Korea will sign the accord considering the enormous international pressure on it to open its nuclear facilities to outside inspection. The real focus now will be on how fast Pyongyang ratifies it," the official said.

North Korea joined the Nuclear Non-Proliferation Treaty (NPT) in 1985 but has yet to officially sign the Nuclear Safeguards Accord, an obligation due within 18 months of joining the NPT.

North Korea has applied to become a member of the Board of Governors, a rotational representation usually for two years. It served on the board in 1979-1981.

Pro-DPRK Koreans From Japan Arrive for Visit

SK0909113191 Seoul YONHAP in English 0800 GMT 9 Sep 91

[Text] Seoul, Sept. 9 (YONHAP)—A group of pro-North Korean 162 Korean residents in Japan arrived in Seoul on Monday to pay homage to their ancestors.

All members of Chochongnyon [chosen soren], a pro-Pyongyang organization based in Tokyo, they are here for the full-moon festival of Chusok on Sept. 22. Another batch of 310 is due Tuesday and 240 more Wednesday.

They will tour the country before visiting their ancestors' tombs.

Since 1975, 52,000 pro-Pyongyang Koreans have visited from Japan, and increasing numbers are second- and third-generation residents of Japan.

Group Sets South-North Cooperation Fund Budget

SK1009093891 Seoul YONHAP in English 0912 GMT 10 Sep 91

[Text] Seoul, Sept. 10 (YONHAP)—The South-North Korean cooperation fund for the fiscal 1992 was tentatively set at 62.82 billion won Tuesday in a meeting of the South-North Exchange and Cooperation Promotion Council.

The fund will comprise 40 billion won of donation from the government, 19.85 billion won of a balance brought forward from 1991 and 2.97 billion won of interest receipts.

The meeting was presided over by unification minister Choe Ho-chung and attended by vice ministers from 13 related government agencies.

The fund supports economic, cultural and sports cooperation and personnel exchanges between South and North Korea.

The council resolved to allocate 168 million won of additional support to the Korea Olympic Committee to make up for its spending during a joint South-North Korean participation in the world youth football championship in June.

The unification board reported on what it is doing to promote exchanges and cooperation, including a project to form a "South-North socio-economic community" during the five-year development plan that starts next year.

It said it would have a plan ready by the end of the month.

Labor Activist Sentenced to Life Imprisonment

SK0909105391 Seoul YONHAP in English 0640 GMT 9 Sep 91

[Text] Seoul, Sept. 9 (YONHAP)—A Seoul district court on Monday sentenced Pak Ki-pyong, a labor activist better known by the alias Pak No-hae, to life imprisonment for organizing an anti-state group.

The prosecution had called for the death sentence.

The ruling said his attempt to topple the government through a revolution was not considered in setting his sentence as it was deemed "defensive violence under inevitable circumstances."

Pak, 33, who is also called the "faceless labor poet," was arrested in March after years of playing seek-and-hide with the authorities. He set up Sanomaeng (the League for South Korean Socialist Workers) with the aim of establishing a communist government.

The court said it could not accept the prosecution's call for capital punishment because politics and economics had grown strong enough in the last decade to accommodate radical movements even though Sanomaeng was considered anti-state in nature.

Pak was also charged with mobilizing 500 students for an anti-government rally, blocking a road in northern Seoul and setting fire to a police box in December last year while on Sanomaeng's Central Standing Committee.

Illegal U.S., Foreign Workers Deported

SK0909125791 Seoul YONHAP in English 1233 GMT 9 Sep 91

[Text] Seoul, Sept. 9 (YONHAP)—The Justice Ministry rounded up and deported a total of 552 foreigners, including 195 Chinese, 190 Philippine and 25 U.S. nationals, across the country last week for their illegal employment and other breaches of entry purposes, the Ministry said Monday.

The figure is compared with 2,218 foreigners deported for similar reasons during the first eight months of this year, the Ministry said. The government began a sweeping roundup of aliens working here without official permits on Sept. 1.

Foreigners charged with illegal job-seeking totaled 1,195 last year, a five-fold jump from 250 in 1989.

Twenty-five employers of the aliens were fined 1-1.5 million won (1,380-2,070 U.S. dollars) each for violation of the immigration control law during the week, it was also said.

No Tae-u Orders Government Expenditures Reduced

SK1009024191 Seoul THE KOREA HERALD in English 10 Sep 91 pp 1, 4

[Text] President No Tae-u yesterday ordered a reduction in government expenditures for next year in an effort to resolve the nation's economic difficulties, presidential spokesman Yi Su-chong said.

The President said future monthly economic ministers' meetings will be presided over by himself, Yi said.

No called on economic ministers to make "extraordinary" efforts to secure stable domestic consumer prices and address the problem of the growing trade deficit.

No called Prime Minister Chong Won-sik, Deputy Premier-Economic Planning Minister Choe Kak-kyu and 11 other economic ministers to Chongwadae for a session over major economic issues facing the nation.

No expressed his resolute stance to reinvigorate the national economy for the second time in less than a week. Last Thursday he harshly reprimanded his economic aides and ministers for miscalculating major economic conditions.

He directed Deputy Premier Choe to cut off "nonessential" expenditures from next year's government budget bill in line with efforts to curb excessive spending in society.

In order to slash the budget, No said, the government ministries should restrict as much as possible the holding of commemorative events, the construction of new public buildings and overseas trips by public officials.

The administration-formulated budget bill for next year is worth about 33.5 trillion won or approximately $45.3 billion. It is an increase of over 24 percent from this year.

The bill should be approved by the National Assembly, whose regular session will open today.

The President called the session of economic ministers amidst mounting public concern about rising commodity prices and the expanding trade deficit.

This year's trade imbalance amounted to $8.7 billion as of the end of August, far exceeding the $3 billion the Economic Planning Board originally predicted for the entire year.

Over the same period, domestic consumer prices soared 8.3 percent, threatening the nation's economic stability. Top government economic officials, however, are saying they could keep the inflation rate within a single-digit level.

"The economic ministers should thoroughly examine the current economic situation and prepare steps to tackle problems at the earliest possible date," No was quoted as saying during the session.

He ordered Finance Minister Yi Yong-man to make a shift in tax and financing policies to secure a smooth supply of funds for manufacturing sectors. He also called for restrictions in bank loans for entertainment and other "unhealthy" service businesses.

No instructed Trade-Industry Minister Yi Pong-so to take all means available to reinvigorate the nation's manufacturing sectors.

Saying that the government pledge to provide 2 million housing units during his tenure has been accomplished in August, No instructed Construction Minister Yi Chin-sol to slow down domestic construction projects.

Overheated construction boom this year has led to steep hikes in the prices of building materials and sharp increases in imports from China and elsewhere.

Government To Lower Economic Growth Rate

SK1009090991 Seoul YONHAP in English 0649 GMT 10 Sep 91

[Text] Seoul, Sept. 10 (YONHAP)—The government will take measures to lower the speed of economic growth during the rest of the year to an annual rate of 8.5 percent, down from the first half's 9 percent, a high-ranking government official said Tuesday.

The economic growth rate would be further reduced to 8 percent next year, Vice Economic Planning Minister Kang Hyon-uk told a working breakfast hosted by the Federation of Korean Industries.

The government would cut housing construction to 500,000 units next year from 600,000 this year, Kang said.

He said the government would continue to tighten its control on the money supply and public financing sector to lay a foundation for a stable economy.

The government would seek to improve the energy efficiency and tackle Korea's towering deficit with neighboring Japan, particularly in the area of machinery, by embarking on a two-phased plan for localization of machinery production, Kang said.

Opposition Parties 'Officially' Declare Merger

SK1009033891 Seoul YONHAP in English 0259 GMT 10 Sep 91

[Text] Seoul, Sept. 10 (YONHAP)—South Korea's two opposition parties, saying that wresting political power from President No Tae-u's ruling party was their No. 1 task, officially declared their merger Tuesday.

The new party will be called the Democratic Party. Kim Tae-chung, president of the New Democratic Party [NDP], and Yi Ki-taek, president of the Democratic Party [DP], told a joint press conference at the National Assembly.

Kim, because he is older than Yi, will be de jure president of the party, but they will actually share the party leadership as co-representatives presiding over a 10-member executive council of five members from each side.

With six months before the general elections, the new party is likely to force the ruling Democratic Liberal Party [DLP] to reshape its campaign strategy.

The DLP, which occupies 215 of the 299 National Assembly seats, was created from a merger of the ruling party and two opposition parties.

"We are resolved to block the prolonged rule of the DLP and realize a transfer of political power to a civilian, democratic government next year by integrating the NDP, DP and all democratic forces into the new party," a joint declaration issued by the two parties said.

The declaration also said the new party would firmly reject any attempt to revise the Constitution to replace the current presidential government with a parliamentary cabinet system.

It accused the ruling party of being intent on keeping its vested rights while aggravating the gap between the haves and have-nots and inflation with policy failures, and said the new party would stop DLP rule, which it described as being against historical development.

It said the new party would, if it came to power, require the use of real names in financial transactions, establish the concept that land is public property, and revise the tax system to prevent wealth from being monopolized by the few.

Lawmakers of both parties will register as one negotiating body with the National Assembly Wednesday. Rep. Kim Chong-kil was tapped as the floor leader.

Merger procedures will be completed when the party registers with the Central Election Management Committee on Sept. 16. Party posts will be shared in a ratio of 6-to-4 between the NDP and DP. Rep. Kim Won-ki is likely to be named party secretary-general.

Kim Tae-chung told the press conference that the unified opposition party would serve as a catalyst in diluting the regional antagonism bred by military governments.

He said he would never accept constitutional revision for a parliamentary cabinet system or the large constituency system.

Three of Korea's most recent presidents, including No, were former military officers from the Kyongsang Provinces. After nearly 30 years of government by Kyongsang natives, regional antagonism has intensified, especially between Kyongsang and Cholla people. Kim is a Cholla native and Yi is a Kyongsang native.

Kim said his party would struggle for a sharp reduction in next year's budget, investigation of the Suso housing scandal, stable consumer prices and clean elections during the National Assembly session that opened Tuesday.

The NDP-DP merger would unite anti-DLP, anti-dictatorial, democratic forces and serve as a starting point for peaceful transfer of power and the eradication of regional antagonism, Yi said.

NDP and DP lawmakers approved the merger in separate meetings, but DP Reps. Kim Kwang-il and Pak Chan-chong have reportedly said they will not join the new party. Some DP district chapter leaders in the Kyongsang Provinces have also expressed their intention to stay outside the party.

The long-awaited merger seemed to be drifting a little Monday morning due to a difference in opinion over leadership, but Kim and Yi ironed out the difference in a two-hour-long meeting at a Catholic church in northern Seoul in the evening.

Ruling Party Competition for Presidency Viewed

SK0209005591 Seoul SINDONG-A in Korean Jul 91 pp 240-252

[Article by Chang Pyong-su: "The Night Before the Clash, the DLP's Presidential Rivalry"]

[Text] A meeting was held at 0730 at the P Hotel [as published] in Seoul on 28 May 1991. Kim Yun-hwan, Secretary General of the Democratic Liberal Party [DLP], Kim Chong-ho, DLP floor leader, and Na Ung-pae met with former secretary generals who are members of the Democratic Justice Party [DJP] circle, to include

Assemblymen Yi Chun-ku, Yi Chong-chan, Yi Han-tong, Pak Chun-pyong, Sim Myong-po, and Chong Sun-tok. Secretary General Kim, after speaking for one and a half hours on President No Tae-u's policy to deal with the political situation, solicited their opinions.

All of these leading figures of the DJP circle are individuals capable of exerting both direct and indirect influence on the future presidency. They paid particularly close attention to two portions of Secretary General Kim's briefing: The "abandonment of the parliamentary system" and the "democratic procedures within the DLP" (contested nomination). These prominent politicians did not offer dissenting opinions concerning the abandonment of the parliamentary system of government. However, a handful of lawmakers (concerning the next presidential candidate of the DLP), asked whether comments such as "must be decided by democratic procedures" could be interpreted as "contested nomination candidate." They then expressed their skepticism whether "completely free contested nomination could be realized?"

President No, at a meeting of party and government officials that afternoon at Chongwadae in an agitated voice pointed out, "Some political forces are clamoring that the debate over constitutional revision for a parliamentary system is an unscrupulous act designed to ensure the long-term power of the present government. They claim that it is the origin of political tensions." President No essentially made clear the "abandonment of the parliamentary system during the 13th National Assembly" by saying that there could be no constitutional revision for a parliamentary system as long as the citizens did not desire it. He also mentioned the selection of his successor through "democratic procedures."

Political circles were paying particularly close attention to these two items announced by President No, following as they did in the footsteps of the resignation by Minister of Sports and Youth Pak Chol-on from his advisory role within the Laurel Club [Wolgyesu-hoe] and the resignation of Prime Minister No Chae-pong.

Within the DJP circle of the DLP, these two arbitrary measures were interpreted as meaning constitutional revision for a parliamentary revision was now a dead issue, and that No was emphasizing the need for solidarity concerning the selection of his successor. They also perceived these measures as being a means of presenting the idea of "contested nomination" to the Reunification Democratic Party [RDP] circle within the party, in effect telling them to recognize that they are the minority faction within the party and "not to count their chickens before they hatch."

In any case, the DJP faction became seriously anguished over President No's "28 May Statement." Lacking any clear candidate whom they could put forth as No's successor, the DJP circle can only expect competition between "nondescript" individuals. With an "absence of candidates," the DJP faction appears to have mixed emotions as they prepare for a struggle in which they certainly cannot rest, having to prepare for secret feuds between factions concerning the competition for the presidency. This includes an all-out offensive to be launched by the RDP circle following the large unit assembly elections.

The atmosphere in the RDP circle, unlike the DJP circle, is enthusiastic, having apparently overcome the primary barrier which had been blocking Executive Chairman Kim Yong-sam's march to the presidency. Now, all that remains for the RDP circle is a phased strategy leading towards the presidency. All Executive Chairman Kim and the RDP circle plan to do at this point is to maintain "predictable politics," and then call a national party convention before year's end. The RDP circle is making plans to hurriedly prepare for a general offensive on the premise that the party must quickly nominate a presidential candidate.

The New Democratic Republic Party [NDRP] circle has concluded that constitutional revision for a parliamentary system cannot be realized, and is laying the responsibility for this with the RDP circle. They are unanimously presenting the "argument that Kim Yong-sam is absolutely unacceptable" as a candidate, hinting, "We will select one individual other than Executive Chairman Kim, unite behind him, and support him."

Is Pak Tae-chun the DJP Circle's Candidate?

The worries of the DJP circle are somewhat reduced by the "selection of the supreme power holder." However, it is becoming harder to solve the question of selecting a candidate as internal dissention has become irreparably serious due to a series of such major political incidents such as the resignation of Chong Ho-yong from his assembly position, the three-party merger, security-oriented rule, and measures to weaken the power of the Laurel Club. With competition for the presidency close at hand, solidarity of the DJP circle itself is emerging as one of the "most difficult tasks" facing them.

It is commonly perceived that there are three individuals considered as possible presidential candidates within the DJP circle: Co-chairman Pak Tae-chun, Assemblyman Yi Chong-chan, and Minister Pak Chol-on. Although popular support for Assemblymen Kim Yun-hwan, Yi Han-tong, and Yi Chun-ku is rising, all three of these individuals are stubbornly denying the possibility of their running. The dominant conclusion is that these men will "limit their role to that of king-maker until the very end."

Co-chairman Pak's starts his march to the presidency as the "manager of the DJP circle." Co-chairman Pak's position was also revealed at the 23 March 1991 Chongwadae family council as well. At the time, President No Tae-u instructed his relatives such as Kim Pok-tong and Kum Chin-ho, "Throw away your ambitions to run for the presidency." He then emphasized, "The DJP circle must unite around Co-chairman Pak. Absolutely no factional activities within the circle can tolerated."

Pak assumed the position of executive chairman of the old DJP in January 1990, approximately two weeks before the three-party merger, pledging to act in the role of "blast furnace" for fusion and solidarity within the party. Immediately after the three-party merger, it was believed that "President No pointed to Pak as the manager of the DJP circle in preparation for the three-party merger, an enormous political variable."

Co-chairman Pak's comments concerning the presidency have been limited to his basic position that "the presidential candidate must come from the DJP circle," elucidating his intention to "work to create conditions favorable to the emergence of a candidate from the DJP circle." These two positions are most likely those recommended to him by President No, those close to Pak explain. That is, Pak has been directed to prevent ahead of time the possibility of the DJP circle becoming ripped apart by a RDP circle offensive, while working hard to create a consensus within the faction that a DJP circle candidate should compete.

Pak emphasizes that both the city and provincial assembly candidates as well as the National Assembly candidates must be selected though contested nomination. Pak himself is known as a "contested nominationist." He has constantly demonstrated his position that contested nomination is an important procedure in the realization of democracy.

When asked if he had any intentions for the presidency during his tenure as executive chairman of the old DJP, Pak responded, "It has been a long time since I resolved not to get involved in politics. How could I possibly have such thoughts? Such an opportunity would not even come to me." At the time, he elaborated, "I decided not to get involved in politics immediately after 5-16 [the coup through which former President Pak Chong-hui seized power] when I was the executive chairman of the Supreme Council for National Reconstruction. It was then that I learned that politics was not an easy thing to be involved in." He explains the reason for his "resumption of political activity" as being "due to a belief that it is one way to aid the development of politics, restore confidence in the system, and bring a new breeze to the political arena." Those close to Pak say that even now, there is no change in Pak's previous convictions.

Those who believe that Co-chairman Pak will be a candidate for the presidency support their argument by saying, "Should the DJP ultimately fail to put forth a single candidate, will they not eventually have to support Pak?" Since it will be difficult to cultivate a new personality for a presidential candidacy due to the short amount of time remaining, Co-chairman Pak explains that the DJP circle will concentrate their efforts on "traffic control." However, in the ranks of presidential candidates being supported, he must be counted as being in "zero place."

Yi Chong-chan's and Pak Chol-on's Road to the Presidency

Assemblyman Yi Chong-chan is expected by most to be the very first member of the DJP circle to "proclaim contested nomination" when the time becomes ripe. Yi, together with Co-chairman Pak, is known to be one who supports contested nomination as one of the absolute first priorities of democratic procedures. Even if two presidential candidates emerge from the DJP circle, those close to Yi explain, it is his conviction that both they undergo a contested nomination process.

It is commonly known that Assemblyman Yi is the front-runner among DLP-circle leaders competing for the presidency. There were many who viewed the formation of the "New Council of Political Research" [saechongchi yongu moim] with Yi at the center in September 1990 as a concrete move aimed at the presidency.

Current assemblymen who often participate in this council include Sim Myong-po, Yi Cha-hon, Yi Chi-ho, O Yu-pang, Sin Sang-sik, Chang Kyong-u, and Kim Hyon-uk. These individuals explain that the council's "entire purpose is in conducting research such as seminars under the basic premise that those involved in politics must conduct research in the political, economic, and social issues of the day." In spite of this explanation, there are many who view the group with skepticism. The activities of the group have decreased, however, in the current atmosphere of "not allowing factions within the party" following the resignation of Minister Pak from his advisory position with the Laurel Club.

There are many people of the opinion that in order for Assemblyman Yi to pursue the presidency, he must first gain the support of prominent figures within the party. He then must lure the support of Co-chairman Kim Chong-pil, who is known to be a supporter of the principle of freely contested nomination, and the rest of the NDRP circle.

Many believe that in spite of calls for the formation of a "council of party leaders" or a meeting of those with real power to promote the DJP circle's rise to the presidency, it will be difficult for this to happen because of the restraining psychology of the "indistinct" leading figures within the circle. In other words, there does not appear to be much of a possibility that the antipathy among DJP circle leaders at the third and fourth echelons towards the "unopposed nomination of Assemblyman Yi," will change in the immediate future.

Assemblyman Yi has the most solid public support base among those in the DJP circle. However, distanced as he is from the largest faction, the Taegu-Kyongpuk (TK) forces, it will be most difficult to overcome this handicap.

Although Minister Pak Chol-on asserted "I have never once stated that I would run for the presidency" when he resigned his advisory post with the Laurel Club on 6 April, there was almost no one who believed him.

Talk of Minister Pak's challenge for the presidency spread during his tenure as leader of the Laurel Club, a private organization formed to assist then-candidate No Tae-u during the 13th presidential election. This rumor gained momentum when it was determined that he was attempting to guide the organization to form the next regime. The general perception, however, is that Minister Pak's declaration of being separated from the Laurel Club, has led to his "political downfall." This has placed him in a position where his challenge for the presidency is blocked for now.

Assemblymen who are members of the Laurel Club, however, refute this view. There are some 30 individuals connected to Pak Chol-on's faction. These include current Laurel Club members Kang Chae-sop, Yi Yon-mu, Na Chang-chu, Yi Kung-kyu, Pak Sung-chae, Yi Chae-hwang, and Chon Yong-won, as well as large unit council assemblymen such as Choe Un-chi, Yi Sang-tuk, Kim Kil-hong, Yi Kang-hui, An Yong-ki, and Hwang Song-kyun. The question is whether such potential power can be ignored. In particular, it is asked whether it might not be possible that with the strong connections between Minister Pak and the assemblymen who are members of the Laurel Club, and with the fact that the society is the most solid faction within the DJP circle, Minister Pak could be supported as the presidential candidate should the environment within the party change. There are many voices saying that Pak will be active in some way, even if focusing only on the "next to next presidency.

A significant number of assemblymen among the DJP faction, believing that solidarity within the DJP circle is impossible given the current circumstances, are making approaches towards Executive Chairman Kim's side. However, the fact remains that the dominant position within the DJP circle is that "Kim Yong-sam is absolutely unacceptable." In particular, there are even those who harshly criticize Kim, stating, "Although things may have been different immediately following the three-party merger when no one really knew him, knowing Kim Yong-sam like we do now there is no way we can support him." This shows the doubts concerning Executive Chairman Kim's true nature.

The Ulterior Motives of Executive Chairman Kim Yong-sam and the RDP Circle

The current distribution of Assembly seats among the three circles within the DLP is 130 for the DJP circle, 52 for the RDP circle, and 33 for the NDRP circle. Thus the combined strength of the DJP and NDRP circles is over three times that of the RDP circle. Even if multiple candidates should emerge among the DJP circle, mathematically the RDP circle can still be defeated in a ballot. Even with this numerical inferiority, however, Executive Chairman Kim and the RDP faction have been boasting that they can force the DJP and NDRP circles to succumb though "principle and justification" as well as "solidarity of strength."

First, they offer the situational logic that as long as President No is in the last half of his term in power, then as the ruling party the DLP can ill afford not to present a political agenda. The RDP circle asserts, "You cannot underestimate the role we have played until now in preserving and supporting the No regime." They also claim, "Executive Chairman Kim has to visibly appear as the successor to the presidency before the 14th general elections in order to direct the ruling party wind that is blowing up from the Pusan and South Kyongsang regions toward the Yongnam and central regions as well."

The RDP circle claims that the structure of the next presidency should be firmly decided before the end of this year. In the next six months, they ask, "Who could possibly run within the party other than Executive Chairman Kim?" The RDP elicited deference of debate for constitutional revision by a "showdown of strength," summarized by Executive Chairman Kim's "Masan trip" in November 1990. Who else, when the time comes, would have enough strength as displayed by this event as Executive Chairman Kim in a presidential election? This is the argument of the RDP circle.

It appears as though the RDP circle, after launching a preliminary skirmish sometime in mid-July, plans to launch a life-or-death offensive following the regular National Assembly meetings in September.

The dominant analysis is that the RDP circle will either maintain its position that in principle, contested nomination is acceptable, or will attempt to avoid freely contested nomination if at all possible. The selection of President No's successor can only be accomplished through a "consensus" between President No and Executive Chairman Kim, and the RDP circle plans to work in order to create such an environment. RDP circle members do not hesitate to note that one should beware of a worse case scenario, with the DLP breaking apart should they be swept into an atmosphere of a freely contested nomination.

Word leaked out that Executive Chairman Kim had received a report in mid-March 1991 from So Tong-kwon, head of the agency for National Security Planning [NSP]. The report was on the contents of the "23 March Chongwadae Family Council Meeting," summarizing the "removal of Minister Pak Chol-on." As this fact became known, it was also leaked out though those close to Kim that "The relationship between President No and myself is not as bad as it appears from the outside. It would be safe to say that it is all over." These comments by Executive Chairman Kim were seen to emphasize the "honeymoon relationship" between President No and himself, and can be viewed as an allusion to the fact that the question of No's successor need not necessarily be decided by freely contested nomination. In other words, any contested nomination would simply be a formality aimed as providing support for Kim, and this fact coincides with the existing climate within the ruling party.

In any case, Executive Chairman Kim was most excited by the removal of Minister Pak from the Laurel Club in early April and the resignation of Prime Minister No Chae-pong in May. Former Prime Minister No was appointed immediately after Executive Chairman Kim's Masan trip led to the disappearance of the DJP and NDRP circles' demands to "forcefully pursue the plans for constitutional revision for a parliamentary government as agreed upon at the time of the three-party merger, having already been revealed." At the time, there were many observers within the political arena who believed that the government planned to forcefully pursue a parliamentary system due to the emergence of Prime Minister No, who was known as an adherent believer in the parliamentary system. Former Prime Minister No was even looked upon as a possible presidential candidate as the arguments that "the parliamentary system issue is dead" and "no it isn't" went back and forth within the party. It was a well known fact that Kim was visibly uncomfortable with No Chae-pong.

It is certain, however, that Executive Chairman Kim's road to the presidency will not be an easy one. An absolute majority of DJP and NDRP circle members still consider him as an opposition party member. There is also an atmosphere that inasmuch as a "yielding of power" to the RDP will in effect hand over political power to the opposition party, such a concession to the RDP circle is absolutely unacceptable.

Although the NDRP circle is not directly interested in the presidency, they are in a position of having as much power within the party as the RDP circle. They have made clear their intentions to attack Executive Chairman Kim and the RDP circle. Members of the NDRP circle are pledging to "thoroughly curb those persons who ruined the pursuit of constitutional revision for a parliamentary system which was promised during the three-party merger and who have become caught up in their ambitions for the presidency." They emphasize that more than any other faction, the NDRP circle will show resolute solidarity when it comes to competition for the presidency and, depending on the case, are expecting to play the role of casting votes. The NDRP circle judges the democratic principles within the party to be contested nomination. Their reason for welcoming contested nomination as the natural course of action stems from a belief that they can grab the casting vote in the dynamic change going on within the DLP concerning the presidential structure.

Struggle Over an Early National Party Convention

As one step in the process of deciding the future political structure, when and how will contested nomination come about? Also, isn't there a possibility that the concept of contested nomination will end up as an empty slogan, and the successor will end up being nominated by President No? The three circles within the DLP show a considerable difference of opinion according to their own interests concerning questions such as these.

Concerning the selection of presidential candidates, the party Constitution of the DLP reads: "From one year to 90 days prior to the expiration of the president's term of office, the candidate will be selected at the national party convention." There is also an incidental provision which states that should it prove difficult to call a national party convention, then the candidate may be selected with majority approval of the standing executive committee of the party. Accordingly, a national convention of the DLP to select a presidential candidate can be held between 25 February and 24 November 1992. The party president is also allowed to call a regular national party convention every two years. Since a national party convention to establish the party was held in May 1990, the party president can call a national convention in May 1992.

The RDP, however, calling for an early, firm decision on the future political structure, is demanding that a interim national party convention be called before the end of 1991. This appears to be because Executive Chairman Kim's prestige following the general elections is unclear at this point.

The 13th general elections were held on 26 April 1988. Thus, as long as there is no change in the situation, a general election will be held between January and April 1992. There are limitations to the amount of influence Kim can exert in the nominating process as an executive chairman who is not party president. It seems as though Kim is conscious of the fact that given his teetering position, he cannot be certain of a RDP-circle victory throughout the country, let alone his stronghold of Pusan and South Kyongsang Province, in the 14th general elections. It also appears as though he is considering the fact that prospects are dim at this time for results favorable to Executive Chairman Kim in an election where nominations are made by the Democratic Liberal Party and not the Reunification Democratic Party.

Thus the RDP circle cannot help but forcefully demand an early calling of an interim national party convention in order to strengthen Executive Chairman Kim's stature. Voices representing the position of the RDP circle note, "Who will support the DLP if there is internal dissent, with the DLP becoming a ruling party unable to decide the future presidential structure?" The RDP insists that the future political structure must be firmly decided as soon as possible in accordance with the "democratic procedures" announced by President No so that the party may concentrate solely on the upcoming general elections towards the end of the year when the entire political world will be caught up in the general election mood.

Most of the DJP circle with a small exception are unanimous in their opinion opposing an early party convention. The majority of the DJP circle believes, "Can you imagine a situation where a candidate is selected before one year prior to the expiration of the incumbent president's term of office? Selecting a successor through an early national party convention, under a president who will not tolerate an erosion of his power during the latter half of his term of office, is just not common sense."

The DJP circle insists that there cannot be an early decision on a successor just because the RDP circle says it is urgent, or under a threat of "leaving the party." Moreover, one leading assemblyman asserted, "Judging from the composition of the ruling party, a simple freely contested nomination is impossible. This being so, there can be no decision on a successor through contested nomination before the year's end." Furthermore, President No is known to have told leading figures of the DJP circle, "By abandoning the parliamentary system, we have opened the way for anyone to run in a direct election. This is merely my neutral position concerning the question of candidates, as long as democratic procedures are followed." Thus, it appears as though there are no possibilities that President No will respond to demands by Executive Chairman Kim for the calling of an early national party convention.

There is no doubt that for Executive Chairman Kim and the RDP circle, changing such an environment within the DJP circle is the number one priority. That is because by succeeding in some way in having a national convention before the end of the year, the RDP circle can enter their second stage of competing for the presidency: determining what method to use for contested nomination. Accordingly, it appears it will be difficult for the DLP to avoid a civil war state with the serious resistance which will arise in the party should the RDP circle step forth and demand an early national party convention.

Will "Contested Nomination" Be Possible?

There are also various opinions concerning the questions of whether there would be a completely free election or whether it would be a limited election carried out under the conditions conveyed by President No's intentions. Even the DJP circle itself has different feelings over the method for choosing a presidential candidate, whether freely contested nomination, limited contested nomination, or appointment by No himself.

First, Co-chairman Pak and Assemblyman Yi Chong-chan actively support a freely contested nomination. Most assemblymen in the central regions such as Seoul, Kyonggi, and Chungchong Provinces support this as well. Those who support a freely competitive election emphasize, "A freely contested nomination will become the basis for realizing democracy within the party, and with public support will become a major help to the campaign as well." They warn, "In the past, from the time he was an opposition party president, Executive Chairman Kim has constantly advocated freely contested nomination, while criticizing methods similar to 'crown prince investiture ceremonies.' Thus, if he tries to avoid a freely contested nomination, the result will be that he will fall into his own self-contradiction." They insist that the Sixth Republic, which has advocated democratization, cannot select their presidential candidate by sitting in a gymnasium and waving their hands. They have made clear their position of interpreting the "democratic procedures" announced by President No as meaning freely contested nomination.

Conversely, the TK forces within the DJP circle as well as the majority of neutral assemblymen are skeptical of the prospects of freely contested nomination. They are skeptical whether freely contested nomination which ignores the desires of President No in the selection process can really occur. They believe that at some time President No will provide his specific, or even subtle opinion concerning his successor, and predict that most people will follow this, transcending factional politics.

Accordingly, these forces predict that even if power struggles should break out concerning the timing of a DLP national party convention and method of contested nomination, then most people will simply look on idly. These are the same people who believe that there is danger of dissention in the party should the DJP faction be unable to put forth a clear, distinct candidate. The whole party, they feel, would then enter a struggle over contested nomination.

Although the RDP circle is ostensibly indifferent to contested nomination, they are counting on a limited contested nomination to some extent. Their plan is to propose some concrete method for contested nomination following ground-level "bargaining" between Executive Chairman Kim and President No. Kim and those close to him, even considering that there is a pro-Kim group within the DJP circle which is currently fence-sitting, appear at this stage to recognize that they cannot be assured of a victory in a freely contested nomination. The number of TK assemblymen throwing "amorous glances" towards Executive Chairman Kim for various reasons such as the hidden circumstances of the district party chapters, as well as the number of those in the TK forces with pro-Kim positions is slowly increasing. Even so, the conclusion at this time is that it will be difficult to link their votes with a contested nomination victory.

There is also, in addition to these people, a considerable number of people who believe that no matter what the method, there is no way a contested nomination can take place. These forces strongly believe in the selection of the successor by President No's nomination or appointment. They say the idea of a contested nomination is "preposterous." Those advocating appointment say the time is still premature for contested nomination, maintaining that even President No's clarification of "democratic procedures" is merely an expression of his intentions, expecting contested nomination some time in the future.

These forces insist that claims of contested nomination derive from individuals, unfamiliar with the upper stratum of the ruling circle, who pursue ideals more than reality. They say that a presidential candidate, in order to be selected, must first expand his support base from the ruling party camp as well as forces surrounding them starting from the debating process itself. This ruling circle includes the party, of course, as well as the government, ANSP, prosecutor general, police and chaebols. When someone emerges with widespread support of the ruling camp, then President No and the party can begin to move, they insist. The result will be a de facto appointment.

The key to the staged DLP presidential strategy theory is that the denunciation of the timing of the national party convention and the method of election must finish before the final stage of "competition between personalities" can be entered.

It seems as though no one within the party will step forth to run for the candidacy, nor is there a king-maker who will be the first to declare the competition for the presidency. That is because the current atmosphere demands ground-level operations before a showdown between candidates can take place.

Executive Chairman Kim Yong-sam as well as the RDP circle have decided on a "single candidate." Even though the three-party merger was accomplished in order to pursue the democratic system, the RDP circle insists that Executive Chairman Kim, who was to be the "first premier" under a parliamentary system, should be the one who inherits the presidency as long as the issue of constitutional reform for a parliamentary system is a dead issue.

"Kim Yong-sam Is Unacceptable;" The DJP Circle's Dilemma

An absolute majority within the DJP and NDRP circles, however, believe that "Executive Chairman Kim, who broke the promise, is absolutely unacceptable." Kim's rise to the presidency is regarded by them as "a situation tantamount to handing power over to the opposition party." In another corner, there is a solid opposition asserting that one of the pressing issues of the day is the realization of a next generation political structure ending the two- Kim era. They insist, "We once again must end politics which by nature abandons one territory (either Yongnam or Honam)."

The problem exists, however, that while the DJP and NDRP circles shout "Kim Yong-sam is unacceptable," they themselves are unable to put forth a candidate. An even greater worry is that it is still unclear whether or not there will be a decision on a candidate "at any time."

Possible inferences at this stage is that the DJP circle's selection of a candidate will be carried out under the auspices of Co-chairman Pak. It is also possible to expect that potential contenders or those surrounding them will, after some vacillation, gradually begin to have their voices heard.

Co-chairman Pak certainly must do some initial housekeeping before the DJP circle can unify around him in accordance with the wishes of No Tae-u. Pak is making preparations to devote all his efforts to ensuring the DJP circle responds with a unitary voice while preventing secession from the party in response to the offensive which the RDP circle will launch. Such defensive operations will apparently continue at least until some decision comes down on the issue of holding a national party convention and the method for contested nomination. During this period, those close to Pak explain, he will also seek consultation with various forces both within and outside the party while working to select a "jointly supported person" as a candidate.

Meanwhile, under the insistence that the period for contested nomination should be after February 1992 as stipulated by party constitution, Yi Chong-chan's strategy is to expand his support base in the interim. Yi's plan is to prepare for "democratic procedures" preconditioned on contested nomination, having built his support base around Seoul and the Kyonggi region.

The largest power within the DJP circle (40 assemblymen) is the TK forces. They are attempting to form a consensus that "Now is the time for TK persons to step down from the presidency" while trying to maintain their own influence. The fact that there is no clear "TK front-runner" is of course one of the main reasons for the formation of such a consensus.

There is serious dissention in the TK forces now, however, over a series of incidents including the resignation of Chong Ho-yong from his assembly seat. Key leaders of the TK forces such as O Han-ku, Kim Yong-tae, and Yi Chi-ho all conspired with the signature faction during the Chong resignation incident, resulting in serious friction with Minister Pak Chol-on, who had been promoting Chong's resignation. The dust has still not settled from that incident. Although most of the signature-faction assemblymen opposed a merger with a party whose political foundation differed from their own, they were also completely excluded from the forces that promoted the three-party merger (Secretary General Kim Yun-hwan and Minister Pak).

In general, the TK forces are now split into three factions: the Secretary General Kim faction, the Minister Pak faction, and the signature faction. Some of the TK forces feel that they will all end up in the same boat when it comes to deciding who will be the next presidential candidate, conscious of the upcoming general elections. In spite of this, there are those who doubt the possibility of cooperation between the factions. They feel that the changing allegiances of these people will become the major variable in selecting the next president.

There is also a rumor circulating that the RDP circle, taking into account these behind-the-scenes aspects of TK dissention, intends to offer a "plan for a separate candidate and chairman (party president)" as a strategy to recruit the TK forces. In other words, when Executive Chairman Kim becomes the presidential candidate, the TK forces will take over the party executive chairman position. When elected, the president would relinquish his position as party president to the TK forces.

The New Democratic Union's [NDU] official interpretation of President No's "abandonment of the parliamentary system declaration" is (as presented in Party President Kim Tae-chung's speech at the 31 May 1991 Yoido gathering): "As of now, we can only believe 70 of this." Additionally, while most are interpreting "democratic procedures" as being a declaration of contested nomination, the NDU's position is that there is nothing to do but just sit and watch how things develop."

In any case, the NDU is banking on some form of dissention within the DLP over the presidency because of the acute interests of the three factions within the party. Those close to NDU President Kim expect that after some internal dissention, a candidate from the DJP faction will emerge with candidate Kim Yong-sam. Kim Tae-chung is expecting that the two DLP candidates, with himself as the NDU candidate and the Democratic Party candidate, will clash in the 14th presidential elections as the "new four-party candidates."

In April 1991 non-Honam dissident personalities joined with the Democratic Union Party (provisional name), who were pro-Party for Peace and Democracy [PPD]. The PPD signboard was lowered and the NDU emerged. Many believe that a four-faction struggle in the next presidential election was the basis for these maneuvers by the opposition.

The NDU "believes that the issue of a parliamentary system is not completely dead yet." There are many, however, who are skeptical of the NDU's interpretation. The political world has just experienced extremely heightened political unrest, including the beating to death of Kang Kun-tae and the series of self-immolations that followed. The conclusion is that no one would dare come out with a "statement for constitutional revision for a parliamentary system" at this juncture. Should the parliamentary system be pursued again, even greater levels of turmoil exceeding that of the "May political situation" could be expected.

Increased Factional Power Struggles

The conflicting ambitions of the DLP's three factions as it heads for the presidency will become apparent in July, once the aftereffects of the large area assembly elections have settled. This will begin when the RDP circle, stimulated by President No's "28 May statement," will launch a certain preemptive attack. By launching a preliminary skirmish with its calls for an early national party convention, the RDP circle must begin its moves at that point so that it can enter the presidential competition in full force following September.

If so, when will the challenges and counter-challenges to the presidency be carried out? The RDP circle has indicated it will set the deadline for a showdown before the end of this year. There is no doubt that they will demand that President No and the DJP circles present a definitive political agenda. It appears as though the DJP circle's response, regardless of what form an RDP circle attack might take, will be to avoid a direct confrontation for the time being. While doing so, counter-measures will be devised through constant meetings of key leaders of the DJP circle, after which they most likely will adopt the position that the party Constitution regulation that states "after the end of February 1992" should be followed.

As for President No, he undoubtedly will refrain from intervening directly. This would be in accordance with his principle of "democratic procedures" (contested nomination) concerning important decisions within the party, which emphasizes that "problems within the party should be solved within the party." The RDP, in the process, will likely attempt to push trends in their favor by either negotiating with President No or by assuming a hard-line strategy such as a "second Masan trip" by Executive Chairman Kim.

The possibilities are great that the DJP circle will be caught in a never-ending argument about the selection of a successor, bickering that "because of this, he is no good, or because of that, he is noT good." Although there are some who advocate the recruitment into the party of an outsider around whom a consensus may be built, the tendency at this stage is to discount such a possibility.

Just what results will emerge when the DLP, riddled with discord and confrontation since the three-party merger on 22 January 1990, tangles over the greatest issue it has faced to date, the selection of the next presidential candidate?

Will the grand slogans that were used to justify the three-party merger, such as "A resolution for national salvation," "Political stability," and "Equipping in preparation for unification," be discarded in the face of a lust for power known as the presidency? Or will they be born again through "democratic procedures"? It seems as though these questions will be answered in the short run, dependent on the results of the large area assembly elections, and in the long run based on President No's will and intentions and following fierce power struggles between factions within the party.

Burma

Myo Nyunt Meets Party Representatives

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[Excerpts] Major General Myo Nyunt, chairman of the Yangon [Rangoon] Division Law and Order Restoration Council and Yangon commander, met with representatives of division-level representatives of political parties in the Yangon Division at 1300 today in the conference hall of Yangon City Hall and explained the reasons for promulgation and amendments of the Law for Safeguarding the State From the Danger of Destructive Elements.

Present at the meeting were members of the Yangon Division Committee for Presenting Explanation—U Khin Maung Aye, Yangon Division law officer; U Aye Maung, divisional judge; Police Director Thein Lin, divisional police commander; U Tun Tin, director of the Department of Yangon Division General Administration—chairmen of township and township zone law and order restoration councils; 71 division-level representatives, including chairmen and executive officers, from six political parties in Yangon Division.

In explaining the Law for Safeguarding the State From the Danger of Destructive Elements, Maj. Gen. Myo Nyunt said that the law was enacted by the first special session of the first People's Assembly on 13 January 1975. He said the law was promulgated because of the events which occurred in 1974.

He said 1974 was the year of positive as well as negative events for Myanmar [Burma] and that it was a memorable year in the country's history. Continuing, he said the State Constitution of the Socialist Republic of the Union of Burma was promulgated on 3 January 1974 after it was overwhelmingly endorsed in a national referendum. In January and February of that year representatives were elected according to the wishes of the people to the People's Assembly and various levels of the People's Councils which were to be formed as prescribed in the Constitution. On 2 March of that year General Ne Win handed power back to the People's Assembly, which represents the people who are the genuine owner of the state power. The Defense Services strove for 12 years [from 1962] to return the state power to the people systematically in full faith. He said this glorious success was achieved during the auspicious year of 1974 because of the concerted efforts by the Defense Services.

However, he said, the year 1974 was also marked by unprecedented acts of terror, unrest, and destruction caused by leftist, rightist, overt, covert, internal, and external influences. Two events took place during that year. The first event started with the labor strike, and the second event was connected with the funeral of U Thant, former secretary general of the United Nations. [passage omitted]

Continuing, Commander Myo Nyunt explained that the main objective of the law is to safeguard the country's sovereignty and state security or peace and well-being of the general public from any imminent danger as well as to protect the state from the danger of destructive elements without affecting the fundamental rights of citizens. [passage omitted]

The Council of Ministers [under the 1974 Constitution] has the power to deal with citizens individually, and if it believes any person has engaged in, is engaging in, or is about to engage in an activity which will undermine the country's sovereignty, state security, or peace and well-being of the general public, it has the right to restrict the fundamental rights of the said person. The Council of Ministers entrusted this right to a central body composed of the home minister as chairman and defense and foreign ministers as members. The central body has the right to arrest, detain, or restrict the movement of a person it believes has engaged in, is engaging in, or is about to engage in an activity that will endanger the country's sovereignty, state security, or public well-being. [passage omitted]

The law has all the characteristics of a good law, such as aptness, clarity, and effectiveness. Had this outstanding law been enforced strictly, events such as those of 1988 could have been effectively contained. However, the events took place because the compassion of the state was exploited in a vicious manner. Persons concerned know for themselves about the compassion displayed by the state.

The efficacy of a law can be compared to the capabilities of a good weapon. An efficient weapon has to be used promptly when the need arises and the weapon has to be aimed at the bull's eye of the target skillfully and prudently. Furthermore, should the need arise to use the weapon again, the weapon should be examined from time to time and parts of it should be repaired or changed to ensure its readiness for use without defect. Similarly, the efficacy of an efficient law requires it to effectivly nip its target in the bud, and it is also necessary to review such a law from time to time to ensure its suitability to conditions of the prevailing time. Provisions should be added or deleted to the law after review from time to time so that it remains effective. [passage omitted]

During the anarchic events, some innocent people from poor backgrounds were brutally killed after fabricated charges were made against them. Meanwhile, power-mad persons shamelessly clamored among them declaring the establishment of a parallel government or interim government. The Defense Services had no choice but to intervene to put these anarchic conditions under control. Because of this action, the Union of Myanmar can now stand proudly in the world. The Defense Services are striving on all fronts for the country to continue to exist as such a country.

Thanks to the efforts of the Defense Services, anarchic acts have been almost wiped out in the political front.

However, those elements who cannot undermine the state from the political front have moved to the economic front from where they are endeavoring to undermine the state. Maj. Gen. Myo Nyunt explained that last August the State Law and Order Restoration Council [SLORC] formed by the Defense Services amended the Law To Safeguard the State From the Danger of Destructive Elements to be prepared to crush those elements if they attempt to endanger the state at any front. [passage omitted]

Continuing, Maj. Gen. Myo Nyunt said that repesentatives of political parties present here will one day become the rulers of the country according to Declaration No. 1/90 of the SLORC. As they will be promulgating the necessary laws to administer the state in their time, they themselves are required to respect and abide by the law and must strive to ensure that their members observe the law as well. Only then will the laws promulgated by them when their turn comes be respected and obeyed by others. Therefore, he said, he urged all those who love Myanmar and the people of Myanmar to respect and abide by the law to ensure the perpetuation of the state.

The meeting ended at 1400 after Divisional Law Officer U Tin Maung Aye explained legal matters.

Major Countries' 'Incorrect Attitude' Criticized

BK1009035591 Rangoon Radio Burma in Burmese 0140 GMT 10 Sep 91

[LOKTHA PYEITHU NEZIN 10 September editorial: "The People Must Crush the Terrorist Insurgents"; from the "Press Review" program]

[Text] Major General Khin Nyunt, secretary-1 of the State Law and Order Restoration Council [SLORC] recently visited Kachin State and met with local authorities and people. During a meeting with them, Maj. Gen. Khin Nyunt said that the people constitute a major force in fighting and crushing the terrorist insurgents and that once there is cooperation from the people, the terrorist insurgents will not be able to survive. He said the people should uphold the conviction that they have the responsibility to cooperate with the Defense Services in crushing the insurgents and to discharge their responsibility accordingly.

The SLORC government does not discriminate between Myanmar [Burma] proper and the states and is striving to develop the remote border regions. It is known to all that while the SLORC is spending vast amounts of state funds in developing the country's health, education, and social development, it is also striving to develop the border regions and indigenous nationals. As the SLORC—the military government—is working for the people's welfare, it is necessary for the people to discharge their responsibility well.

Eight insurgent organizations have returned to the legal fold in Shan state and they are cooperating with the government in development endeavors. Their model endeavors should be emulated. However, regional development work cannot be fully carried out in Kachin state and some border regions because some terrorist insurgents are still operating in these areas. These terrorist insurgents, who are upholding the narrow racist policy, are terrorizing and inflicting hardship on the people through various means and are engaging in destructive activities. The state cannot carry out development activities in areas where these insurgents are operating.

It is also necessary to note that at present some major countries have an incorrect attitude toward Myanmar. We should be aware that these major countries, while trying to pretend that they are concerned about the interests of Myanmar, are trying to create misunderstandings between the government and the people by broadcasting false news and by carrying out instigations.

While the government is carrying out its responsibilities according to the three major national causes—prevention of disintegration of the union, preservation of national unity, and perpetuation of sovereignty—and the tasks as set out in the Declaration No. 1/90, it is necessary for the people to cooperate.

In brief, it is necessary for the country to be free of internal and external destructive elements while efforts are being made to develop the country on all fronts and for the people to work jointly with the Defense Services in crushing these internal and external destructive elements and terrorist insurgents.

NLD Representative Vacates Seat in Taungtha

BK0109145791 Rangoon Radio Burma in Burmese 1330 GMT 1 Sep 91

[Announcement No. 963 of the Commission for Multiparty Democratic General Elections of the Union of Myanmar, dated 1 September 1991]

[Text] Subject: U Chit Khaing, elected representative [for National League for Democracy] from Taungtha Township Constituency-1, Mandalay Division, given permission to resign.

1. U Chit Khaing, who was elected from Taungtha Township Constituency-1, Mandalay Division, during the multiparty democratic general elections, has voluntarily sought permission from the commission to vacate his seat.

2. Acting on the above submission by U Chit Khaing, and in accordance with Article 11.E of the Elections Law, the elections commission hereby permits the resignation of U Chit Khaing as representative from Taungtha Township Constituency-1, Mandalay Division, effective from today.

By the authority vested in me.

Signed: Aye Maung, secretary.

Ministers, Others View Irrawaddy Flood Damage

BK3008120191 Rangoon Burma Television Network in Burmese 1330 GMT 29 Aug 91

[Excerpts] Lieutenant General Tin Tun, minister for transport and communication and for social welfare and labor, and Lt. Gen. Chit Swe, minister for livestock breeding and fisheries and for agriculture and forests, both members of the State Law and Order Restoration Council [SLORC], and Major General Tin U, secretary-2 of SLORC, accompanied by Rear Admiral Than Nyunt, naval chief of staff; Brigadier General Abel, minister for planning and finance and for trade; Brig. Gen. Maung Maung, commanding officer of No. 502 Air Force base; Colonel Pe Thein, minister for health and education; and responsible personnel from the office of the SLORC, office of the government, UN agencies—WHO, UNDP, UNICEF, FAO, and World Version [as heard] of Thailand, arrived by military helicopters in Bassein, Irrawaddy Division, at 1450 on 28 August. [passage omitted]

The ministers, secretary-2, and party held discussions on relief and resettlement matters on the Irrawaddy Division floods with Maj. Gen. Myint Aung, chairman of Irrawaddy Division Law and Order Restoration Council [LORC], responsible personnel, and divisional level departmental officials, at the meeting hall of the Southwestern Military Command headquarters.

First, U Sai Ko Lay, member of the division LORC and director of General Administration Department, explained about the flood situation and the relief and resettlement work being carried out. [passage omitted]

The total value of damages and loss to state-owned, cooperative-owned, joint venture-owned, and public-owned properties due to the rupture of the Htein-Ngu embankment amounted to Kyat 2,895.26 lakhs [approximately U.S.$44.5 million] and 208 villages belonging to 80 village tracts from Le-myethna, Henzada, Yegyi, Kyonpyaw, and Kyaunggon townships were inundated, while more than 180,000 acres of cultivated land were under water.

Continuing, U Tun Hla San, divisional official from the Divisional Audit Office, explained the situation regarding the floods in the division. He said there were altogether 478 high, middle, and primary schools that had to be closed due to the floods in Le-myethna, Henzada, Yegyi, Kyonpyaw, and Kyaunggon townships and 375,285 acres of cultivated land for paddy, jute and other crops were inundated, while 183,306 acres of cultivated land were destroyed. [passage omitted]

Lt. Gen. Chit Swe, minister for livestock breeding and fisheries and for agriculture and forests, next explained that Myanmar's [Burma] agriculture is mostly dependent on the meteorological situation and said warning notices to observe the weather conditions and to take precautionary measures against floods, and the meteorological and hydrological situation regarding forthcoming floods, were issued beforehand. [passage omitted]

He continued to explain that the main Htein-Ngu embankment and Pan Embankment were ruptured on 27-28 July 1991 and Yay-Le embankment also gave away on 30 July. Altogether more than 281,000 persons from 63,000 families belonging to more than 1,300 villages from 230 village tracts in Henzada, Le-myethna, Yegyi, Ngathainggyaung Kyonpyaw, Kyaunggon, and Basseineast townships were affected by the floods caused by the breaking away of the embankments. Of all the cultivated land, it is estimated that more than 200,000 acres of paddy and about 5,000 acres of jute will be destroyed. [passage omitted]

SLORC Forms Relief Committee

BK3008141991 Rangoon Radio Burma in Burmese 1330 GMT 30 Aug 91

["Text" of Order No. 37/91 of the State Law and Order Restoration Council, dated 30 August 1991]

[Text] Formation of the Central Committee for Irrawaddy Division Flood Relief and Resettlement

1. The State Law and Order Restoration Council [SLORC] has formed the Central Committee for Irrawaddy Division Flood Relief and Resettlement with the following persons:

A. Lieutenant General Tin Tun, minister for transport and communications and for labor and social welfare, as chairman;
B. Lt. Gen. Chit Swe, minister for livestock breeding and fisheries and for agriculture and forests, as deputy chairman;
C. Lt. Gen. Phone Myint, minister for home and religious affairs and for information and culture, as member;
D. Lt. Gen. Aung Ye Gyaw, minister for construction and cooperatives, as member;
E. Major General Khin Nyunt, SLORC secretary-1; as member;
F. Maj. Gen. Tin U, SLORC secretary-2, as member;
G. Maj. Gen. Myint Aung, commander of the Southwest Command, as member;
H. Brigadier General Abel, minister for planning and finance and for trade, as member;
I. Colonel Pe Thein, minister for health and education, as member;
J. U Ohn Gyaw, director general of the Political Affairs Division of the Foreign Ministry, as member;
K. U Kyaw Aye, director general of the Office of the SLORC, as secretary;
L. U Saw Thein, director general of the Relief and Resettlement Department of the Ministry of Social Welfare, as joint secretary-1;
M. U Zaw Nyunt Pe, director of the Office of the SLORC, as joint secretary-2.

2. The duties of the committee are as follows:

A. The committee is to make systematic arrangements to send relief goods in time, provide monetary assistance and medicines, take preventive measures against the

spread of epidemic diseases, supply clean water, and recultivate livestock breeding.
B. To compile an accurate list of households that have suffered losses from the floods and make systematic plans for resettlement and relief.
C. To lay down short- and long-term programs for building embankments to prevent floods.
D. To coordinate with departmental authorities in laying down plans for flood relief and resettlement.

3. The rights of the committee are as follows:

A. The committee can form ad hoc committees.
B. The committee can take necessary actions toward relief and resettlement work.

4. The committee shall submit a report to the SLORC upon completion of its tasks.

5. The tenure of the committee shall cease on the date it submits its report.

Signed: Major General Khin Nyunt, secretary, the SLORC.

Drug Control Activities, Seizures Reported

BK0509092991 Rangoon Burma Television Network in Burmese 1330 GMT 5 Sep 91

[Text] Perceiving the fight against the threat of narcotics which endanger all of mankind as a national duty, the government of the Union of Myanmar [Burma] has been enhancing efforts on a national scale to combat and provide safeguards against the menace.

The Defense Services, the People's Police Force, and the Customs Department seized a large quantity of narcotics in July 1991. The Defense Services captured 126.776 kilograms of opium, 0.073 kilograms of heroin, and 13.309 kilograms of marijuana. The Customs Department seized 1.141 kilograms. [sentence as heard]

Similarly, the People's Police Force seized 41.7252 kilograms of opium involving 86 cases, 13.8748 kilograms of heroin involving 138 cases, 82.3179 kilograms of marijuana involving 78 cases, 44.49 liters of phensedyl [cough] syrup involving 10 cases, 44 bottles of comethyzine [cough] syrup involving five cases, and 2.8991 kilograms of opium residual powder involving one case. Action was also taken in 218 other drug-related cases.

Legal action was also taken against 685 people involved in a total of 536 drug-related cases in the same period.

Border Area Drug Suppression Discussed With Laos

BK0709150791 Rangoon Radio Burma in Burmese 1330 GMT 7 Sep 91

[Text] A coordination meeting on drug suppression activities between Myanmar [Burma] and Laos was held this morning at the Lawkanat Hall of the Karaweik Hotel. It was attended by U Ohn Gyaw, deputy minister for foreign affairs; responsible personnel from the Central Narcotics Drugs Control Committee; and a Lao People's Democratic Republic delegation led by Mr. (Vongchan Sonbounyoun), head of the National Advisory Commission on Narcotic Drugs Control Secretary General's Office [commission name as heard].

At the meeting, U Ohn Gyaw delivered a speech and discussions were held on drug suppression activities at the border region and matters regarding crop substitution.

The Lao delegation visited the social welfare department and the drug addicts treatment hospital and research department in the evening.

Saw Maung Leads Delegation on Visit to PRC

WA3008201591

For reportage on the PRC visit of a delegation led by Senior General Saw Maung, chairman of the State Law and Order Restoration Council, including talks with CPC General Secretary Jiang Zemin, Premier Li Peng, and President Yang Shangkun, see the Southeast Asia & Pacific section of the 20 August China DAILY REPORT and subsequent issues.

Brunei, Malaysia, & Singapore

Malaysia

Deputy Prime Minister Ghafar Ends Trade Mission

Grant Given Iran

BK0209095091 Kuala Lumpur Voice of Malaysia in English 0800 GMT 2 Sep 91

[Text] Malaysia has given U.S.$500,000 to an Iranian institute to carry out research on palm oil to allay doubts about the product among Iranian consumers.

Deputy Prime Minister Mr. Ghafar Baba said in Tehran that exports of Malaysian palm oil had fallen from 70,000 tonnes to 20,000 tonnes because consumers in the country were uncertain whether palm oil was safe for human consumption. As such the government has agreed to give a grant to the Institute of Standards of the Islamic Republic of Iran, ISIRI, to enable it to buy equipment for research into the local palm oil. He told Malaysian journalists at the end of a four-day trade and investment mission to Iran that the move was welcomed by Iran.

The deputy prime minister is confident the research will help clear any misconception about palm oil and lead to the recovery of the palm oil markets in Iran. Mr. Ghafar also witnessed the signing of memoranda of understanding between three Malaysian companies and their Iranian partners for joint venture projects and supply of goods.

Mr. Ghafar, who is leading a 48-member business delegation, will visit Turkey next on the last leg of the three-nation trip which earlier took him to Kuwait.

'Satisfied' With Outcome

BK0609072091 Kuala Lumpur BERNAMA in English 0311 GMT 6 Sep 91

[Text] Istanbul, Sept 6 (OANA-BERNAMA)—Malaysian Deputy Prime Minister Ghafar Baba, who concluded his 11-day trade and investment mission to Kuwait, Iran and Turkey Thursday, said he is satisfied with the outcome.

However, Ghafar, who led a 48-member business delegation on the first high-level trade mission to the three countries, said the real test would have to come from the private sector itself to find a niche for Malaysian products and services in the three countries.

He said palm oil and timber-based products were gaining greater market accessibility in west Asia apart from electrical products and foodstuffs.

Ghafar was seen off at the Aturtuk International Airport by Malaysian ambassador to Turkey, Zaibedah Ahmad and Malaysian honorary consul-general here, Dr. Nusrat Arsel.

More Military Installations on Spratlys Planned

BK0509134791 Kuala Lumpur NEW STRAITS TIMES in English 1 Sep 91 p 6

[Text] The Government will build a runway on Terumbu Layang Layang to speed-up its development, Defence Minister Datuk Seri Najib Tun Abdul Razak said yesterday.

He said the runway to cater for smaller military and light aircraft would boost security arrangements on the atoll besides bringing tourism and other economic benefits.

The 6.2 hectare atoll, 165 nautical miles north of Sabah, also being claimed by Vietnam, China, Philippines and Taiwan, has tremendous tourist, fishing and petroleum and mineral mining potential which has prompted the Government to quicken the pace of development.

Datuk Seri Najib together with a press delegation visited the military installations on Terumbu Layang Layang and two other nearby atolls—Terumbu Ubi and Terumbu Mattanani.

On the overlapping claims over the atolls, Datuk Seri Najib said the government would hold bilateral talks with the countries involved to bring about an amicable solution to the claims.

He, however, discounted the possibility of holding a conference among the countries making claims over the islands.

"Multi-lateral discussions may not be the best way to solve the issue and may further complicate it. The Government would continue with its diplomatic moves to solve the claim issue bilaterally," he said.

Datuk Seri Najib said the military presence on the three islands were necessary to show the Government's commitment towards the sovereignty of the islands and its desire to develop them.

"In view of the strategic and economic importance of these islands, we plan to underline our commitment to show the world that the islands come under our jurisdiction.

"The military presence would help to enforce the overlapping claims since we must have the ability to safeguard our sovereignty but it is not the intention of the Government to use any military force," he said.

He said among the plans on the drawing board include installation of military equipment to detect air attacks apart from building infrastructural and tourist facilities.

Minister Briefs Newsmen on Nonaligned Meeting

BK1009092191 Kuala Lumpur Voice of Malaysia in English 0600 GMT 10 Sep 91

[Text] The Nonaligned Movement, NAM, has taken a common stand to voice the developing countries' concern on matters related to environmental issues in the wake of the UN Conference on Environment and Development, UNCED. Foreign Minister Datuk Abdullah Ahmad Badawi told newsmen this in Kuala Lumpur on his return home from the just concluded NAM foreign ministers' meeting in Accra, Ghana. He said the meeting had expressed its dissatisfaction with the works of the UNCED Preparatory Committee. The movement feels the committee has yet to show its concern with issues brought up by developing countries. In addition, the committee has failed to take into account religious beliefs and cultural values of developing countries and has instead been concentrating on the opinion of the developed nations.

Datuk Abdullah said NAM member countries in the committee would cooperate and ensure the views of developing nations are heard at the Preparatory Committee meeting, which is scheduled to be held in New York next March. When UNCED takes place in Brazil next year, the movement wants the outcome of the meeting to reflect the interests of the developing countries, especially when environment and development are concerned.

Prime Minister Datuk Sri Dr. Mahathir Mohamed has recently said that Malaysia might not attend the [word indistinct] summit following reports that it will be used to hit out at countries like Malaysia for its alleged rampant logging activities.

Prime Minister Hails Ties Among ASEAN Members

BK0309154291 Kuala Lumpur Radio Malaysia Network in English 1330 GMT 3 Sep 91

[Excerpt] Good relations among countries in the region have made ASEAN the most developed and stable regional grouping in the world. Prime Minister Datuk Sri

Dr. Mahathir Mohamed said there is development and stability in the region because ASEAN member countries do not harbor ill intentions against one another. Malaysians are fortunate because they live in a region where there is peace, where the neighbors have no ill intentions against them, and vice versa.

The prime minister said this when opening the Mini-ASEAN Park in Ayer Keroh near Melaka. He points out that good relations among ASEAN countries are vital in determining security and stability in the region. Such an atmosphere will enable development to take place in the respective ASEAN member countries. [passage omitted]

Singapore Election Results Mandate With 'Twist'

BK0509144191 Kuala Lumpur NEW STRAITS TIMES in English 2 Sep 91 p 10

[Editorial: "A Different Answer Altogether"]

[Text] A snap election was called once the ruling People's Action Party (PAP) scented a whiff of approval for Prime Minister Goh Chok Tong's brand new style of leadership. A style that tones down the suggestion of an autocratic parent, one that bends down to lend an ear to its electorate. And which also became the campaign platform for the PAP.

It was billed as an election that would decide the future trend of government in Singapore. Mr Goh asked for an endorsement of his gentler, more caring posture which had not quite hardened into a mould for the future, as yet. For that to happen, he said, a mandate from the people would be required.

And what sort of mandate would that be? Well it would have to be an improvement on the last election in 1988, in which PAP lost one out of 81 seats. It would seem then that the Prime Minister wanted that seat back. Without the mandate that he sought, the Prime Minister said he may have to review his style of government. It would give Singaporeans a chance to signal the path that they wanted to take.

So the question was asked. Choose the style of government that you prefer for your future. A mandate for the Prime Minister, would indicate the voters' favour for his open, consultative and caring style of government which had already made a welcome debut. Its hallmark being that it valued the opinions and ideas of its people. One that would take Singaporeans' wishes into consideration before any decision-making. One that augured well for Singapore's future.

The voters replied by sending three more opposition members to Parliament, making a grand total of four altogether. The Singapore Democratic Party (SDP) retained the Potong Pasir seat and added two more while the Workers' Party scooped Hougang. Echoes of the answer reverberated softly in the improved performances of the other three opposition parties, despite the fact that they did not win any seats.

There are two ways to interpret the digression of votes. One being as a direct and literal answer to Mr Goh Chok Tong's question. Which means that the voters had ingenuously voted for authoritarian rule. It does not ring quite true. From all accounts, most Singaporeans were delighted with the new style of government. It suited Mr Goh Chok Tong's personality. And it had also been perceived as a government which had been tailored to suit the needs of its people.

It also seems a trifle peculiar for Singaporeans to come out in favour of an authoritarian government by voting in more opposition members. It definitely could not be that they desired a change of government. That was out. The PAP was returned firmly and overwhelmingly to power.

However, there is an alternative. That Singaporeans liked Mr Goh's open, caring style but chose not to centre the election on him or his style of government but on the greater issue of having more opposition members to ensure the accountability of the Government.

And that is probably the answer. That the voters came up with an answer to a larger question. One that took into account a bigger picture. An answer that welcomes Mr Goh's open, caring style of government, that wishes for PAP to continue the development that has made them the country with the second-highest living standard in Asia, but that also includes a desire for an opposition as a check and balance. A mandate with a twist to it.

Mahathir Stresses Reaching 'Developed' Status

BK0309111891 Kuala Lumpur Voice of Malaysia in English 0800 GMT 3 Sep 91

[Text] Prime Minister Datuk Sri Dr. Mahathir Mohamed says the vision of making Malaysia a developed country in the year 2020 is not only his ambition but also represents the people's aspiration. He says he is acting as the voice of the people who wish to become a developed and respected race.

In an interview program with him aired over Television Malaysia, the prime minister said Malaysia's definition of a developed country was one that has integrity, high morals, good ethics, and other positive values that would ensure society would not lose its bearings. Datuk Sri Dr. Mahathir said with its population having increased to 18.3 million, Malaysia needed to provide 300,000 jobs a year.

On privatization, he said the program was something inevitable, not only in Malaysia but also throughout the world as it has become a priority. Datuk Sri Dr. Mahathir also said a true nationalist is not the one who merely loves his language, but the one who loves his nation and wants it to progress. A nationalist will use any tool at his disposal to bring progress to his nation. If the English language is the tool to develop his country, then he will learn English. Nevertheless, he will not lose his bearings and will not forget his origins.

He said anyone who wants to progress in this modern world should master at least two languages—one his mother tongue, and the other a foreign language. The prime minister says the government encourages Malaysians to master the English language as it was understood by the majority of the people in the world.

Sarawak State Election Set for 27-28 Sep

BK0709084691 Kuala Lumpur Voice of Malaysia in English 0800 GMT 7 Sep 91

[Text] State election in Sarawak will be held on the 27th and 28th of this month. The chairman of the Election Commission, Datuk Harun Din, announced this in the federal capital of Kuala Lumpur. Nomination has been set for the 14th. He said the commission would use the 1990 electoral law which had been verified on 27 July last year. According to the law, the state has 703,061 voters, an increase of 77,791 from the last state election in 1987. Fifty-six seats are up for grabs. Polling will be held only one day in 14 constituencies and extended over 2 days in the 42 others. Sarawak is the largest state in Malaysia.

Tin Output Declines in First Six Months of 1991

BK3008150691 Kuala Lumpur Radio Malaysia Network in Malay 1430 GMT 30 Aug 91

[Text] Malaysia's tin production decreased by 29 percent to 10,904 metric tons during the first six months of this year. This was compared to 15,395 metric tons during the corresponding period of 1990. According to the Department of Statistics today, the output of tin in concentrates in June was 10 percent or 172 metric tonnes lower at 1,584 metric tonnes against 1,756 metric tonnes in May. However, lower production was made up by higher imports to meet the demands of the local tin smelting industry.

Singapore

Goh on Opposition's Communal Tactics in Elections

BK0309100391 Singapore THE STRAITS TIMES in English 2 Sep 91 p 25

[Text] If the PAP's [People's Action Party] attack on communal politics by the opposition had caused a ground swing against the party, then it showed that the support of the Malay voters in Eunos GRC [group representative constituency] had not been very deep, Mr Goh Chok Tong said. But the Prime Minister did not think that this was the case.

"I think the Malay ground was relatively sweeter than in 1988," he said.

The Prime Minister was replying to two journalists who asked if some of his tactics agianst the opposition for playing the communal line might have backfired.

In particular, they cited Mr Goh's comments that some Islamic terms used by Mr Jufrie Mahmood, a Workers' Party [WP] candidate for Eunos GRC, were not acceptable in election rally speeches.

These could have agitated the Malay ground and turned them around when they were, in fact, very supportive of him from the very beginning.

Mr Goh said that the initial Malay support might be due to the help given to [Malay Community Association] Mendaki, especially in the area of funds.

Saying that he did not know whether the Malay votes swung heavily against the PAP, Mr Goh added that if that was the case, then he would be "very saddened".

"I stand for principles and I would move against any Singaporean, whether he is a Malay, Indian or Chinese, who plug a communal line," he stressed.

If the votes swung against him as a result of this action, then it would spell trouble for Singapore.

As an example, he said that if the Chinese votes swung against him because he moved heavily against a Chinese chauvinist who used the Chinese language or the preaching of Buddhism to try and win votes, then it would be troublesome.

Similarly, if his move against Mr Jufrie had turned the Malay ground against him, that would also be troublesome for Singapore.

Mr Goh explained that if he had not come down hard on a candidate using a communal line, then the opposition would have gone even much further in this election.

Turning to the PAP's objection to the use of "inshallah" (God willing) by Mr Jufrie in his rally speeches, Mr Goh said that he was not certain whether that annoyed the Malays.

He said that election campaign manager Wong Kan Seng's remarks could have caused some misunderstanding but held the view that a rally speech in which such religious phrases were used could evoke a very strong gut feeling in the Malays.

"I am not saying that the use of the phrase is wrong but I am saying that in the wrong occasion, it will lead to more problems," he said.

Mr Wong, who was at the press conference, added that when he commented on Mr Jufrie's use of "inshallah" and "alhamdulillah" (all praise to God), a reporter had asked him whether it was really wrong.

His reply was that when used in the right context, there was nothing wrong, but that in a rally, when the opposition was appealing to gut feelings, that would be "a very dangerous line" to take.

Brig-Gen (Res) [Brigadier-General (Reservist)] Lee Hsien Loong added that by bringing this issue out into the open and taking a strong stand against Mr Jufrie, both Malay and Chinese voters moved in the PAP's favour.

"If we had not done it, I think we would clearly have lost Eunos GRC and the consequences would have been worse for Singapore," he said, drawing agreement from Mr Goh.

"I agree with that observation. We would have lost Eunos if I had not moved strongly against Jufrie's line of politicking," the Prime Minister said.

Opposition Member on Loyal, Decisive Leadership

BK0309094191 Singapore THE STRAITS TIMES in English 2 Sep 91 p 24

[Text] Mr. Chiam See Tong, accepting the mantle of leader of the parliamentary opposition, yesterday called on the ruling party to rethink its attitude towards the opposition and the people.

He promised a loyal and constructive opposition and more decisive leadership when he sketched his view of Singapore's post-election political landscape.

Mr Chiam was speaking to reporters at the Singapore Democratic Party [SDP] headquarters in Potong Pasir before a victory tour of the constituency that gave him a 7,000-vote majority on Saturday. He arrived in the red Volkswagen in which he has campaigned since 1979.

He said he was heartened to hear Prime Minister Goh Chok Tong's remark in his post-election press conference that with three more opposition members elected, he could now rightly claim to be the leader of the opposition in Parliament.

He was also heartened "if (Mr Goh) is right in saying that politics will now take on a different light in Singapore."

The SDP was the best performing opposition party in Saturday's poll, winning three seats, and improving its share of the valid votes from 39.5 percent to 48.6 percent in the seats it contested.

Asked what he thought of Mr Goh's statement that the PAP's [People's Action Party] role would now be that of a conventional governing party in a conventional two-party situation, Mr Chiam said this should mean that the Government would treat the opposition as an equal partner.

Government should also develop a businesslike relationship with the people, he said. "The Government has been given power. They are trustees of those powers. The owners of the power are actually the people.

"The people pay their fair share of taxes, the government governs and sees that the country functions properly.

"That is the traditional role of government as we know in Western-style democracy," he said, adding the qualification that Singapore's size and vulnerability demanded that the electorate be responsible.

He said that the SDP would be a model opposition party:

—It would hold Singapore's interests above all else, even above party interests.

—It would not oppose for the sake of opposition. "We will always be very conscious to push the Government into doing more good for Singaporeans."

—It would be a check and balance on government actions and see that there was no abuse of power.

On his role as leader of the opposition in Parliament, he said he would help to familiarise his opposition colleagues with parliamentary procedures.

He said that he would have to meet Mr Low Thia Khiang, the new Workers' Party [WP] MP for Hougang, whom he did not know personally.

"Then we will have to see whether there are any little differences between us. And if we iron out those differences, I am sure we will work very well."

He said his party intended to take a stand on every national issue. "In the past, being the single elected oppposition, I had often been accused of not taking a stand."

In the past, he added, he had no backing in Parliament to act as a national leader and to come out strongly with alternative policies.

For example, SDP wanted a Singapore-Malaysia common market but had not pushed the idea because of lack of numbers in Parliament.

He said the SDP's top priority now was to work out an agreement with the Workers' Party for the coming by-elections.

On Mr Goh's comment that PAP backbenchers need no longer act as opposition now that there was a "proper opposition", Mr Chiam disagreed, saying: "Backbenchers will still have to bring out the shortcomings of government policies.

"But what Mr Goh probably meant was that the backbenchers ... will now join the Government forces to batter down on the opposition. I am sure they will not withhold their punches."

On the poll results, he said that the opposition's performance showed that credible and qualified opposition candidates had a good chance of winning. "The signal is quite clear," he said.

He added that fluency in Mandarin, and Chinese dialects conferred a tremendous advantage on candidates as it made it easier to build rapport with residents.

Commenting on the contest for Eunos GRC [group representative constituency] on Saturday before the count began, he again dismissed as "scare tactics" the PAP's charge that the WP was playing communal politics there.

He said Eunos residents, like those elsewhere, were used to the PAP's tactics and realised the need for opposition.

Cambodia

Deputy Foreign Minister Denies 'Genocide' Demand

BK1009012591 Bangkok BANGKOK POST in English 10 Sep 91 p 6

[Text] Phnom Penh's Deputy Foreign Minister, Sok An, yesterday denied reports that his government has repeated its demand that any peace accord contain a reference to genocide.

During the second Cambodian Supreme National Council meeting in Phatthaya, Phnom Penh agreed to drop the demand that human rights be guaranteed in accordance with the United Nations 1948 Convention on the Prevention and Punishment of Genocide.

Past references to genocide, targetted at the Khmer Rouge, have been a key stumbling block to peace efforts.

AFP, quoting a commentary on official Radio Phnom Penh on Sunday, said Phnom Penh "demands the inclusion" of the reference to genocide in the peace blueprint, an apparent reversal of its position in Phatthaya.

Sok An told the POST last night that "what we agreed on in Phatthaya has not changed."

Asked about the radio commentary from Phnom Penh, Sok An said that perhaps there had been some error.

"As far as I am concerned we always maintain what we agreed on in Phatthaya," Sok An said.

SRV National Day, Revolution Anniversary Marked

Leaders Greet Counterparts

BK0409131291 Phnom Penh SPK in English 1115 GMT 4 Sep 91

[Text] Phnom Penh SPK September 4—The party and state leaders have extended warmest greetings to their Vietnamese counterparts on the 46th anniversary of the August Revolution (Aug. 19) and the national day of the Socialist Republic of Vietnam (Sept. 2).

The message jointly signed by President of the State Council Heng Samrin, chairman of the National Assembly Chea Sim, and Prime Minister Hun Sen was addressed to Vo Chi Cong, president of the State Council, Le Quang Dao, chairman of the National Assembly, and Vo Van Kiet, chairman of the Council of Ministers of the Socialist Republic of Vietnam.

It said: "We believe that under the clear-sighted leadership of the Communist Party of Vietnam (CPV) with General Secretary Do Muoi at the head, the fraternal Vietnamese people will obtain still greater successes in carrying out the resolutions of the Seventh CPV Congress on economic renovation.

"The party, government and people of Cambodia are very glad at the constant development of the solidarity, friendship and multiform cooperation between the State of Cambodia and the Socialist Republic of Vietnam.

"Availing ourselves of this opportunity, we would like to express our gratitude to the party, government and people of Vietnam for their material assistance and moral support to the Cambodian revolution."

The message wished the Vietnamese leaders the best of health and success in their noble mission and the Vietnamese people prosperity and happiness.

Bou Thang Sends Message

BK0509051491 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1200 GMT 4 Sep 91

[Congratulatory message from "Comrade General Bou Thang, member of the party Central Committee Political Bureau, vice chairman of the Council of Ministers, and chief of the General Political Department of the Cambodian People's Army, to Comrade General Nguyen Quyet, member of of the Communist Party of Vietnam Central Committee Secretariat, vice chairman of the Council of State, and chief of the General Political Department of the Vietnamese People's Army, on the 46th anniversary of the August Revolution and the SRV National Day"]

[Text] On the 46th anniversary of Vietnam's August revolution and the SRV national day, on behalf of cadres, combatants, and party and political workers in the Cambodian People's Army and in my own name, I would like to express moving sentiments of happiness and sincere congratulations for this glorious day.

We highly appreciate the great victories scored by the heroic Vietnamese people and Vietnamese People's Army [VPA] in the past period, particularly in the definitive reunification of the nation and the land, to move toward firmly building, developing, and defending the country in every field, thus reflecting the vigorous and most noble pride of the Vietnamese people and the VPA in the international community.

May the relations of solidarity, friendship, and multiform cooperation between our two armies, particularly the two General Political Departments, be further strengthened and expanded forever. May the comrade chief of the General Political Department enjoy good health and energy and achieve great success in carrying out the noble tasks set by the resolutions of the Communist Party of Vietnam's seventh congress. Through you, we wish good health and energy to cadres, combatants, and party and political workers throughout the fraternal VPA; may they achieve greater successes in all the tasks assigned by the party and people.

Please accept my high consideration.

Kandal Amity Group Meets

BK0409101191 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 3 Sep 91

[Text] The chapter of the Cambodia-Vietnam Friendship Association in Kandal Province organized a solemn meeting at the office of the Kandal Provincial People's Committee on 2 September to welcome and mark the 46th anniversary of the August Revolution and the 2 September National Day of the SRV.

Attending the meeting were comrades in the province's leading ranks, provincial office and unit chiefs and deputy chiefs, and many cadres, personnel, and workers.

Comrade Tep Ngon, standing deputy secretary of Kandal Province's party committee, took the floor to express warm greetings to the fraternal Vietnamese Government and people for exerting their best efforts in national reconstruction and defense and winning many brilliant successes in that process.

Comrade Tep Ngon also praised the Vietnamese people for their heroism in rising up, fighting resolutely, and winning one great victory after another over the enemies of all stripes. Moreover, the international prestige of the SRV has soared to new heights, thus testifying to the correctness of the new change policy adopted by the Communist Party of Vietnam in response to the aspirations of the Vietnamese people.

Lao Party-State Control Group Delegates Arrive

BK0409075291 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 2300 GMT 1 Sep 91

[Text] A delegation of the Lao Party-State Control Commission led by Comrade (Sisavat Savongphroeksa), vice chairman of the Party-State Control Commission of the Lao People's Democratic Republic [LPDR], arrived on the morning of 30 August for a visit to draw on the experiences of the control work of the State of Cambodia.

Greeting the delegation at Pochentong Airport were Comrade Mat Ly, member of the Kampuchean People's Revolutionary Party [KPRP] Central Committee Political Bureau and vice chairman of the KPRP Central Committee Control Commission; Comrade Kong Korm, member of the KPRP Central Committee and minister of state affairs inspectorate; and the deputy ministers of state affairs inspectorate, as well as several department leading cadres of the ministry.

The acting charge d'affaires of the LPDR Embassy to the State of Cambodia was also present at the airport.

Meet Kong Korm

BK0409083391 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 3 Sep 91

[Text] Comrade Kong Korm, member of the Kampuchean People's Revolutionary Party Central Committee and minister of state affairs inspectorate, received the visiting Lao party-state control delegation headed by Comrade (Sisavat Savongphroeksa), vice chairman of the Party-State Control Commission of the Lao People's Democratic Republic, at the Ministry of State Affairs Inspectorate on the morning of 31 August. During the meeting, the Cambodian and Lao sides exchanged experiences on their respective control work.

Comrade Kong Korm informed the visiting delegation about all aspects of development in the State of Cambodia recorded by the Cambodian people in the restoration, reconstruction, and defense of the fatherland during the past more than 12 years. He underlined the control work activities conducted by the leaders and cadres of the Ministry of State Affairs Inspectorate.

In reply, Comrade (Sisavat Savongphroeksa) expressed deep thanks to Comrade Kong Korm for clarifying all the important achievements made by the Ministry of State Affairs Inspectorate of the State of Cambodia, thus enabling him and the other members of the delegation to extract good experiences and better understand the control work. The delegation also briefed Comrade Kong Korm on the results of the control work achieved by the Lao party and state in the past, pointing out the successes and failures in the field and a number of other major issues.

In conclusion, Comrade (Sisavat Savongphroeksa) reiterated the support of the Lao party and government for the goodwill of the party and government of the State of Cambodia in the search for a political solution to the Cambodian problem in order to end the war as soon as possible and bring about national reconciliation and peace for the Cambodian people.

Visit Kandal Province

BK0509050691 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 4 Sep 91

[Text] On the afternoon of 2 September, a delegation from the Lao Party-State Control Commission led by Comrade (Sisavat Savongphroeksa), vice chairman of the Party-State Control Commission of the Lao People's Democratic Republic, accompanied by Comrade Nut Than, deputy minister of the State Affairs Inspectorate, visited Kandal provincial seat to draw experiences from the control work in Kandal Province.

On this occasion, Comrade (Kong Chim), deputy secretary of the Kandal provincial party and first vice chairman of the provincial people's committee, and Comrade (Phea Khin), standing member of the provincial party committee and chief of the Control Department of Kandal province, warmly and cordially welcomed the delegation, and informed the latter about the all-around development in the province over the past more than 12 years, in particular, the experiences of the provincial Control Department during the past period.

Comrade (Sisavat Savongphroeksa), head of the Lao delegation, also pointed out to the comrade leaders of Kandal Province the results of the control work in Laos, stressing shortcomings and difficulties in past work and the efforts by the party to timely reduce negativism and to introduce appropriate reforms in accordance with the principles and conditions of the Lao party and state.

Suspension of Gold, Gem Stone Trade Detailed

BK0709054491 Phnom Penh SPK in English 0442 GMT 7 Sep 91

[Text] Phnom Penh SPK September 7—The government's measure to suspend gold trading since mid-August decreased tax payment by 7 million riel last month in the city of Phnom Penh.

The losses amounted to two percent of the regular monthly payment by traders, said Chan Soeun, head of the Phnom Penh municipal tax collection service.

The Council of Ministers, in a recent circulation, ordered all gold-smiths throughout the country to suspend the trading of gold and gem stone at free markets to stabilize the value of the "Riel", he said.

They would be entitled to resume their business after undertaking in writing to stick to the gold price fixed by the National Bank of Cambodia, according to the circulation.

Moreover, they would have to deposit their capital at the bank for yearly interest before they start to operate again.

The gold price in Phnom Penh has dropped sharply after the circulation came into effect, according to a municipal official. One tael of gold at present costs around 500,000 riel compared with 600,000 riel in mid-August, he said.

The Ministry of Finance, the banking service, and the municipal people's committtee have received applications from gold-smiths for resume their trade, Chan Soeun said. But the officials concerned are busy saving flood victims in disaster areas, he added.

We don't know whether or not we will lose some of the tax payment this month, Chan Soeun said, adding that it is up to the offices concerned to decide when the trade of gold and precious gem stone will be resumed.

Jiang Zemin-Sihanouk 7 Sep Meeting Noted

BK1009010291 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 9 Sep 91

[Text] On 7 September in Beijing, Jiang Zemin, general secretary of the Chinese Communist Party Central Committee, held talks with Samdech Norodom Sihanouk, chairman of the Cambodian Supreme National Council [SNC].

During the talks, Jiang Zemin congratulated Sihanouk on the success of the recent SNC meeting in Phatthaya, Thailand. He stressed that the older generation of Chinese leaders have had a deep friendship with Samdech Norodom Sihanouk for many years and that the current Chinese leadership also supports Samdech Norodom Sihanouk's efforts to resolve the Cambodian problem politically. He added that China will continue to play an active role in promoting a political solution to the Cambodian problem. He added that the remaining issues for a political solution to the Cambodian problem will be resolved soon with the efforts of all SNC members under Samdech Norodom Sihanouk's leadership and the support of the UN Security Council five permanent members, the Paris International Conference on Cambodia cochairmen, ASEAN, and many other friendly countries the world over.

Samdech Norodom Sihanouk thanked China for its immense efforts to solve the Cambodian problem politically. Samdech Norodom Sihanouk expressed the firm belief that the remaining issues regarding a political solution to the Cambodian problem will soon be resolved.

Laos

Front Session Ends, Phoumi Vongvichit Resigns

BK0909113791 Vientiane Vitthayou Hengsat Radio Network in Lao 0500 GMT 9 Sep 91

[Text] The nationwide extraordinary plenary session of the Central Committee of the Lao Front for National Construction [LFNC], which opened in the capital of Vientiane on 5 September, concluded on the afternoon of 7 September. During the session the work carried out by the LFNC since its second congress until early 1991 was reviewed. The plan and direction of the front work to be implemented in late 1991 and 1992 was adopted.

Afterward, the session unanimously accepted Phoumi Vongvichit's request that he be relieved of his post as chairman of the LFNC Central Committee, and also accepted the request by Bolang Boualapha that he be relieved of his post as vice chairman of the LFNC Central Committee. In addition, the session unanimously approved resolution No. 28 of the Political Bureau of the Lao People's Revolutionary Party [LPRP] Central Committee proposing that Maisouk Saisompheng and Vongphet Saikeu-yachongtoua respectively be appointed chairman and vice chairman of the LFNC Central Committee.

In the session Phoumi Vongvichit, former chairman of the LFNC Central Committee, delivered a speech. In his speech addressing the session, Phoumi Vongvichit gave views on the world situation, which is changing in a complicated manner, and on the domestic situation in which the entire army and people are concentrating on translating into reality the success of the fifth party congress. He noted the roles and responsibilities, particularly the four major tasks, adopted and fulfilled by the LFNC, which has thus positively contributed to implementation of the strategic tasks of defending and building the country and to the consolidation, establishment, promotion, and expansion of the popular democratic system, as a result of which the multiethnic people have genuinely become owners of their country and society.

At the end of the session a resolution was passed calling on the LFNC committees at all levels to further consolidate and modify their working procedures to make them simple but effective in fulfilling all tasks. The resolution also calls on the people of all strata at home and abroad, as well as foreigners in Laos, to closely unite with the LFNC and together strive to defend and build the country for peace, independence, unification, democracy, and prosperity.

Attending the extraordinary plenary session of the LFNC as guests of honor on this occasion were Thongsing Thammavong, vice chairman of the Supreme People's Assembly [SPA] and head of the central organizing committee, and Phoumi Vongvichit, adviser to the LPRP Central Committee and former chairman of the LFNC Central Committee. Also present were members of the LFNC Central Committee, chairmen of the front committees of Vientiane province and municipality, and more than 200 other guests—including prominent persons, intellectuals, Buddhist monks, and delegates from mass organizations.

National Conference on 1991 Control Work Opens

BK1009105591 Vientiane KPL in English 0916 GMT 10 Sep 91

[Text] Vientiane, Sept 10 (KPL)—Maichantan Sengmani, Politburo member and president of the Control Board of the Party Central Committee, yesterday chaired here the 1991 national conference on control work with the participation of 65 officials from all the provinces.

The board president, on the occasion, made an assessment on the control work in connection with the implementation over the years of the resolution 4 of the party and the state's regulations and laws as well as the issue involving law suits. These were seen to contribute to enhancing and developing the people's democratic regime throughout the country. He also pointed to shortcomings in the work that demand revision and improvement.

The conference was to study and work out the next work plan designed to bring into full play the role of the control work in the new stage. The work covers the control over the party and state activities in the implementation of different resolutions, regulations and laws.

Phoumi Vongvichit Meets Japanese Buddhist Group

BK3108110091 Vientiane KPL in English 0906 GMT 31 Aug 91

[Text] Vientiane, August 31 (KPL)—Mr. Phoumi Vongvichit, president of the Lao Front for National Construction, on August 30 granted here an audience to a Japanese Buddhist delegation on visit here during August 27-30, 1991.

On this occasion, Mr. Phoumi Vongvichit briefed his Japanese guests about Buddhist practice, traditions and customs of the Lao people, who are mainly Buddhists.

The Japanese delegation expressed their pleasure for having visited Laos and exchanged views with Lao Buddhist monks. The delegation also toured some historical sites in Vientiane capital and Luang Prabang Province.

The delegation returned home on August 30.

Border Talks With PRC End 29 Aug in Vientiane

BK3108110391 Vientiane KPL in English 0908 GMT 31 Aug 91

[Text] Vientiane, August 31 (KPL)—The Common Border Technical Teams of Laos and China concluded their 3rd round of talks on August 29 here with signing a joint document on the talks.

Witnessing the signing of the document were Lao Deputy Foreign Minister Mr. Soulivong Phasitthidet, who is also head of the Lao-Chinese Border Negotiating Committee, and Chinese Ambassador to Laos Mr. Huang Guocai.

Joint Lao-Thai Military Committees Meet 5 Sep

BK0709063091 Vientiane Vitthayou Hengsat Radio Network in Lao 0430 GMT 7 Sep 91

[Text] At noon on 5 September, the Lao and Thai joint military committees held a regular meeting at Na Haeo District, Thailand, to review and discuss the work over the past month. The Lao side was headed by Colonel Phommachak Soutthisan, and the Thai side was headed by Colonel Samroeng Chantharukha.

In the meeting, the two sides informed each other of the situation on their sides. They held that in general over the past month, the situation along the border remained normally tranquil, and this tranquil situation has shown the maintenance of genuinely fraternal relations.

Col. Phommachak Soutthisan, head of the joint military committee of the Lao side, added that the meeting on this occasion proceeded in an atmosphere of friendship and good mutual understanding. He noted that both sides tried every means possible to turn the common border into a border of genuine, durable peace and friendship.

Army Propaganda-Training Group Ends SRV Visit

BK0109051291 Vientiane Vitthayou Hengsat Radio Network in Lao 0430 GMT 31 Aug 91

[Text] In response to an invitation of the Propaganda and Training Board of the General Political Department of the Vietnamese People's Army [VPA], a delegation of the Propaganda and Training Board of the General Political Department of the Lao People's Army [LPA] led by Comrade Colonel Visai Bobaikham, head of the office of the LPA General Political Department, visited the SRV from 22 to 29 August to exchange experiences on political and ideological work with the Vietnamese side. Accompanying the delegation to the SRV were representatives of the LPA paper and radio.

During the visit, the delegation of the Propaganda and Training Board of the LPA General Political Department met and exchanged experiences with a delegation of the Propaganda and Training Board of the VPA General Political Department led by Comrade Brigadier General (Khai), head of the Propaganda and Training Board, on the education and training in the political and ideological field as well as experiences in the emulation, art and cultural, press, and radio broadcasting work.

On this occasion, Comrade Col. Visai Bobaikham informed the Vietnamese delegation of the success in publicizing the resolution of the recent fifth party congress, the resolution which adopts direction, plans, and policies in many fields aimed at leading the country to march forward along the path of restructuring. Comrade Brig. Gen. (Khai) also informed the Lao delegation of the success of the Seventh Communist Party of Vietnam [CPV] Congress.

The delegation of the Propaganda and Training Board of the LPA General Political Department also visited headquarters of the Vietnamese Navy, the military command of Quang Ninh Province, and the Army Division 312 to exchange experiences in carrying out the work of education and training in the political, ideological, organizational, emulation, and other fields. Everywhere it visited, the delegation was warmly welcomed as close friends who used to share the same trenches in the fighting.

Before returning home, the delegation of the Propaganda and Training Board of the LPA General Political Department also paid a courtesy call on the head of the VPA General Political Department, visited the office of the VPA paper, and paid homage to the mausoleum of President Ho Chi Minh. The delegation returned to Vientiane on the afternoon of 29 August.

In addition to exchanging experiences and learning lessons from each other, the visit by the delegation of the Propaganda and Training Board of the LPA General Political Department on this occasion has brought about the strengthening and consolidation of the friendship relations between the two nations and two armies of Laos and Vietnam in general and between the Propaganda and Training Board of the LPA General Political Department and the Propaganda and Training Board of the VPA General Political Department in particular.

Vietnamese National Day Commemoration Marked

Rally Held in Vientiane

BK0509113591

[Editorial Report] Vientiane Vitthayou Hengsat Radio Network in Lao at 0000 GMT on 3 September carries a 28-minute report, with portions recorded, on a rally held at the Vientiane theater by the Ministry of Information and Culture in coordination with the Laos-Vietnam Friendship Association and the SRV Embassy to mark the 46th anniversary of the SRV National Day, with the attendance of "more than 1,000 Vientiane residents." "Attending the rally as honored guests were Oudom Khatthi-gna, member of the Lao People's Revolutionary Party [LPRP] Central Committee Political Bureau and secretary of the party committee of Vientiane Municipality; comrade members of the LPRP Central Committee; and several distinguished guests. Nguyen Xuan, ambassador extraordinary and plenipotentiary of the SRV to the Lao People's Democratic Republic [LPDR], and a number of staff members of the SRV Embassy also attended the rally."

In his 12-minute recorded speech given at the rally, Maisouk Saisompheng, member of the LPRP Central Committee and chairman of the Laos-Vietnam Friendship Association, hailed the participants for attending "this rally of great significance filled with the spirit of time-honored profound friendship between the Lao and Vietnamese peoples."

Maisouk Saisompheng lauded the great efforts made by the "entire party, army, and fraternal people of Vietnam" in implementing the resolutions adopted at the Seventh Congress of the Communist Party of Vietnam [CPV] and in trying to transform the "natural and semi-natural economy into a goods economy in accordance with market mechanisms." He pointed out that the celebration of the SRV national day comes at a time when the Lao people are proudly rejoicing over the "success of the sixth plenary session of the Supreme People's Assembly [SPA] in which the first Constitution of the LPDR was endorsed and promulgated" to ensure the legitimate rights, interests, and obligations of the Lao citizens and the "president, the prime minister, and a new deputy prime minister were elected to more effectively administer the country." He stressed that amid the rapidly changing world situation, it is even more important that "our two peoples strengthen the existing special solidarity with new quality" and "maintain a high sense of vigilance toward all subversive designs so as to safeguard together the security and order of our societies and to build our respective countries with a view to making important contributions to the common tasks of securely safeguarding peace and stability in this region and in the world."

Maisouk Saisompheng then recalled the proclamation of Vietnam's independence by President Ho Chi Minh in Hanoi on 2 August 1945 and the achievements made by the Vietnamese people under the leadership of the CPV since 1976, particularly during the first half of 1991 in which rice production in the southern Vietnamese provinces dramatically increased to the point that Vietnam is now able to export some 400,000 metric tons of rice so far this year. At the end of his speech, he notes: "At present, walking along the path of restructuring in each country, we can see that the militant solidarity and special friendship between the two countries have been even more consolidated and strengthened with every passing day and the comprehensive cooperation between the two parties, states, and peoples further upgraded and developed." Before concluding his speech Maisouk Saisompheng declares:

"Long live the LPDR and the SRV!

"Long live the LPRP and the CPV!

"Long live the special solidarity and all-around cooperation between Laos and Vietnam!"

After that, SRV Ambassador Nguyen Xuan took to the podium to deliver a 14-minute speech which was translated into Lao and read by a station announcer. In his address, the ambassador recalled the deliberations, such as the political program and the strategy of socioeconomic development from now to the year 2000, discussed at the Seventh CPV Congress, convened between 24 and 28 June 1991, and the topics raised at the ninth session of the Eighth National Assembly of the SRV convened in August this year to elect the new chairman and a number of new members of the SRV Council of Ministers. Nguyen Xuan also noted the numerous difficulties faced by the SRV in the first half of 1991 after the Soviet Union had suspended aid and loans for importing goods and when natural calamities severely crippled agricultural production in the northern region early this year. He then hailed the "great victory" scored by the LPRP at the Fifth LPRP Congress as well as the "glorious success" of the sixth session of the Second SPA of the LPDR. He expressed confidence that under the leadership of the LPRP, headed by Chairman Kaysone Phomvihan, the Lao people will be able to overcome all difficulties and to win greater victories in fulfilling the cause of restructuring. The envoy subsequently cited parts of the speech made by Nguyen Van Linh, former secretary general of the CPV Central Committee, at the Fifth LPRP Congress.

In concluding his speech, Ambassador Nguyen Xuan asserted:

"I firmly believe that the profound speeches made by our leaders at the latest congresses of our two parties will continue to resound forever, thereby showing the depth of the friendship between our two parties and peoples and reminding all of us that amid the current confusing international situation, we must safeguard the special Vietnamese-Lao and Lao-Vietnamese solidarity so as to make it beautiful and everlasting."

Phao Bounnaphon Interviewed

BK0309050191 Vientiane Vitthayou Hengsat Radio Network in Lao 0500 GMT 2 Sep 91

[Text] On the occasion of the 46th anniversary of the national day of Vietnam on 2 September, a correspondent of the National Radio Station was granted an interview by Phao Bounnaphon, minister of foreign economic relations, on Lao-Vietnamese cooperation. The minister said: [Begin Phao Bounnaphon recording, monitored in progress] ... to further enhance the fine tradition of special relations and all-around cooperation between the two parties, governments, and peoples of Laos and Vietnam. The cooperation in the economic, scientific and technical, and cultural fields has gained enormous fruits and been continuously developed. In the past 17 years, the Vietnamese Government has granted several billion dong [Vietnamese currency] to the Lao government as aid and long-term, interest-free loans for socioeconomic development in Laos. These loans have been spent on conducting surveys; mapping out plans; and building agricultural, irrigation, forestry, communications, transport, postal, geological, industrial, educational, cultural and other specialized projects.

The achievements we have made in the agricultural field include the devising of a consolidated plan for developing agricultural production in the Vientiane plain; a survey for the construction of a number of irrigation facilities in the provinces in the northern, central, and southern regions of Laos; and the experimental cultivation of high-quality rice strains provided by Vietnam in Vientiane Municipality.

In the industrial field, we have built many industrial production foundations, for example, a small-size agricultural machinery production factory, a brick and roof tile factory, a coal mine, and a machine repair shop. We have conducted surveys for mineral deposits and have already mined for gypsum and other ores.

In the communications, transport, and housing construction field, we have completed the surveys and construction of many new roads, such as Route No. 7. We have repaired Routes No. 6, No. 9, and No. 8, as well as the road leading to the gypsum mine and the coal mine. We have surveyed and begun to build a road from Xieng Khouang to the southern region. In the waterway transport sector, we have built many 200-seat steel passenger boats and 50-seat wooden passenger boats as well as many fuel tankers and cargo boats to ferry thousands of tons of goods. We have also conducted a survey for passageways for waterway transport along the Mekong river.

In the trade and business cooperation field, particularly following the introduction of the new economic management policy by the two countries, the exchange of goods and business transactions between Laos and Vietnam have become more effective and achieved a new quality. The sectors in the production, construction, trading, and services areas have established bilateral cooperation on the basis of business accounting and mutual benefits. They have cooperated with each other in producing goods, as in the case of Vietnam's (Swimek) Company and Laos' Aphon Company. Laos' Trading Company, Vietnam's Import-Export Company, the Ho Chi Minh City Construction Company, the (Thanh Long) Bridge Construction Company, the Construction Company No. 8, and the Electricity Construction Company [of Vietnam] have also participated in the biddings for contracts to build bridges, roads, and electricity facilities [in Laos]. Tourism companies in Hanoi, Ho Chi Minh City, and other Vietnamese provinces have also signed cooperation agreements with their Lao counterparts to exchange tourists from the two countries.

In the education, cultural, and social fields, the SRV has helped Laos train thousands of cadres of various categories at different levels. These cadres have been assigned to efficiently carry out various duties of national development and construction and national defense. At the same time, Vietnam has also assisted Laos in building hospitals, schools, trading shops, guest houses, and offices in many districts and provinces.

The two countries have already completed the demarcation of more than 2,000 kilometers of our common border. This success clearly shows the good fraternal intentions between the Lao and Vietnamese peoples, who always desire to consistently develop lasting friendship and cooperation.

I am very proud of the time-honored traditional fine relations between the parties, governments, and peoples of Laos and Vietnam—the relations which have been continually developed and strengthened. At the same time, I am also very proud of the leadership of the Lao People's Revolutionary Party for establishing and building the special relations and all-around cooperation with the Vietnamese party, government, and people so that we can assist each other in defending, building and developing our respective countries so as to make them firmly prosperous, thereby bringing happiness, wealth, and growth to our two peoples.

On the occasion of the celebration of the great historic day of the Vietnamese nation, I wish the fraternal Vietnamese people under the clear-sighted and talented leadership of the Communist Party of Vietnam [CPV] greater achievements in fulfilling the resolution of the Seventh CPV Congress. [end recording]

PASASON Carries Editorial

BK0209133391 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 2 Sep 91

[PASASON 2 September editorial: "With the Stalwart Spirit of 2 September, the Vietnamese People Are Winning Great Successes on the Path of Restructuring"]

[Text] This year, on 2 September, the fraternal Vietnamese people celebrate the 46th National Day at a time when the Seventh Congress of the Communist Party of Vietnam [CPV] has just ended with glorious success and at a time when the multiethnic Vietnamese people, with the 2 September spirit of revolutionary enthusiasm, have won great achievements on the path of restructuring.

Forty-six years ago, at the historic Ba Dinh square on 2 September 1945 following the victory of the August revolution, President Ho Chi Minh—the great leader of the Vietnamese people and close comrade-in-arms of the Lao people—declared before the world the independence of Vietnam and the establishment of the Democratic Republic of Vietnam, the first state of the proletarian class and peasants in Southeast Asia. This great event of historic significance has opened a new era for the Vietnamese nation and people to continually march forward on the path of independence, freedom, and progress.

As assessed by the recent Seventh CPV Congress, the Vietnamese nation and people have won new victories on the path of restructuring in building Vietnam in the transition period to socialism. Over the past 46 years, the heroic and indomitable Vietnamese people, under the leadership of the CPV, which was founded, trained, and tempered by President Ho Chi Minh, have, together with the Lao and Cambodian peoples, carried out a difficult, protracted revolutionary struggle, and won a great victory in defeating the old colonialists and the U.S. imperialists, thereby putting an end to old and new colonialism in Vietnam, as well as in all of Indochina. In addition, following the victory of the historic Ho Chi Minh operation on 30 April 1975, the Vietnamese people and nation fulfilled the cause of liberating southern Vietnam and achieved national reunification as expected and confirmed by great President Ho Chi Minh, who said: Vietnam is one, the Vietnamese nation is one.

They have also translated into reality President Ho Chi Minh's teaching: Solidarity, solidarity, and great solidarity; victory, victory, and great victory. Afterward, the Vietnamese people restored the economy, healed the wounds of war, and set up new production relations and material and technical foundations in the transition period in advancing, step-by-step, to socialism. They have securely defended the country and successfully fulfilled their international obligations.

At present, in light of the struggle of various nations in the world for peace, national independence, democracy, and social progress, and in light of development of the advanced scientific and technological revolution and the process of internationalization of the world economy, with a quick response to the said situation, the CPV and the Vietnamese Government have consolidated and modified their leadership and management to match the new circumstances in a timely manner. Firmly combining national factors with international factors and combining the 2 September tradition with modern factors, they have persistently led the nation forward.

As a result, over the past 4 years, or since implementation of the restructuring, the Vietnamese nation has effected profound changes. Agricultural and industrial production have increased, markets have thrived, inflation has been limited, and the people's living conditions have been improved significantly. Vietnam now no longer needs to buy foodstuffs from foreign countries. It has even exported rice to foreign countries. This is considered a very significant success of the restructuring in the initial stage. Following this success, the socioeconomic situation has been freed from crisis step by step.

The success has also brought about progress and tranquillity to all of social life. Another satisfactory success is the broadening and upgrading of formal education and the building of cadres in the fields of scientific and technical application, insurance, labor, and art and culture. Following the success, fine relations between men have explicitly emerged. Today's Vietnamese nation and people maintain the same level of cultural understanding and knowledge in the fields of science, nature, and society as that in developed countries.

The aforesaid new, great, and praiseworthy achievements and victories of the fraternal Vietnamese people have explicitly brought about the new and better in Vietnam and a new level of development in the country's restructuring. In view of this, the Lao people are convinced that step by step, the Vietnamese people will be able to firmly translate into reality various resolutions and plans adopted by the Seventh CPV Congress. The revolutionary causes of Laos and Vietnam have been closely related to each other all along. The parties, governments, and peoples of Laos and Vietnam have always nourished the Lao-Vietnamese relations founded by great President Ho Chi Minh. They have also strived to increasingly develop the special relations, cooperation, and solidarity between Laos and Vietnam.

On this glorious occasion and auspicious day, the Lao people throughout the country once again would like to express profound gratitude to the party, government, and fraternal people of Vietnam for having always given wholehearted support and assistance to the Lao revolutionary cause on the basis of advanced revolutionary theory and the special solidarity, great friendship, close militant alliance, and noble spirit of internationalism. The Lao people wholeheartedly hail the great and glorious achievements won by the fraternal Vietnamese people throughout the past 46 years and would like to express profound gratitude to the party, government, and heroic fraternal people of Vietnam. The Lao people wish the heroic Vietnamese people, under the CPV's leadership, new success in carrying out the restructuring cause in the stalwart spirit of 2 September; defending their beloved country; overcoming difficulties in the transition period in order to victoriously advance socialism; and worthily contributing to the cause of safeguarding peace in Indochina, Southeast Asia, and the rest of the world.

SRV Trade Representative Interviewed on Ties

BK0109125591 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 31 Aug 91

[Text] Today, 31 August 1991, marks the 15th anniversary of the signing of the trade agreement by the governments of Laos and Vietnam. (Nguyen Can Chat), SRV trade representative to Laos, told our station correspondent that trade relations between Vietnam and Laos have existed for a long time.

During the national liberation struggles to defend the independence and freedom of each country simultaneously carried out by the peoples of the two countries, the liberated zone in Laos developed trade contacts with Vietnam by exchanging goods with each other. Even though the trade exchange during that period was not as voluminous, it contributed to building and developing the relations of friendship between the peoples of the two countries. Those bartering activities ensured the fulfillment of the needs of our armed units during war time as well as the requirements of our people in the liberated zone.

After the establishment of the Lao People's Democratic Republic [LPDR] and the liberation of Vietnam, trade relations between the two countries entered a new stage when a trade agreement was signed between the governments of the two countries on 31 August 1976. On the basis of that agreement as well as the various trade protocols signed in the subsequent years, the two sides supplied each other with needed goods to meet the requirements in production and the life of people in each country. Vietnam supplied such consumer goods and food items as fabric materials, construction materials, medicine, office equipment, and other necessary goods to Laos, while Laos supplied Vietnam with sawed timber planks, plywood, gypsum, coffee, tobacco, and other agricutural and forestry products. In the first few years of the trade exchange, the value of goods supplied to Vietnam by Laos was considerably smaller than the amount Vietnam supplied to Laos. However, while the development of goods production in the two countries continued, the quantity of import and export between them has gradually become well balanced. At the same time, the development of trade relations between business enterprises and sectors at the center and the bartering of goods between the provinces sharing the common border have gradually been developed to adequately meet the needs in production and the life of the people in those localities.

Beginning in 1991, when the economic restructuring was introduced in each country, the economic management mechanisms in the two countries have been modified. As a result, a new trade agreement was signed between the two countries on 11 February 1991. On the basis of this agreement, the two governments have decided to lift restrictions on the quota of each type of goods which can be exported to each other. They have set up only a general guideline to govern trade relations between the two countries. As for the actual details on the quantity, prices, and quality of each type of goods, they must be worked out by the business counterparts of the two sides.

In addition to conducting direct trading between the two countries, the two sides have also agreed to help each other in cross-border goods transport and expansion of trade relations with other countries, including cooperation in producing goods for export. The SRV Government recently announced that beginning in April 1991, it would grant export tax exemption privileges to Vietnamese goods exported to Laos and Cambodia and import tax exemption privileges to goods imported from the two countries into Vietnam. This is a new favorable condition developing in the trade relations between the two countries.

The SRV trade representative went on to say: [Begin recording in Lao] Vietnam and Laos are close and intimate neighbors. During the period of arduous struggles jointly carried out by the two sides, the various organizations and business sectors concerned in the two countries always helped each other in building mutual trust and understanding on the basis of special relationship between the two countries. In the future, under the leadership of the Communist Party of Vietnam and the Lao People's Revolutionary Party, it is anticipated that the economy in each country will be developed further. As a result, the volume and types of export goods in each country will also increase and the quality of goods will be further improved. The need to import goods from each other also increases with each passing day. As a result, trade transactions and goods transports between the two countries will eventually increase. Coordination between the various organizations and business sectors concerned will be further consolidated and improved. All this will create favorable conditions for the trade relations between our two countries, thereby contributing to the development of production, raising of the standard of living of the people in each country, and strengthening of the special solidarity and friendship between the two countries.

On this occasion, I would like to ask you to convey my sincere thanks to the Ministry of Trade and Tourism, the Ministry of Foreign Economic Relations, and the organizations and business sectors concerned in Laos for their consistent assistance given to us to develop and strengthen trade relations between our two countries.

Thank you. [end recording]

Leaders Give Thanks for Congratulatory Messages

Kaysone Phomvihan Writes Gorbachev

BK1009135491 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 10 Sep 91

[Message of thanks from Kaysone Phomvihan, president of the Lao People's Democratic Republic, to Mikhail Gorbachev, president of the USSR; dated 2 September]

[Text] I would like to convey sincere thanks to you for the warm congratulations and best wishes you have extended to me on the occasion of my election as president of the Lao People's Democratic Republic. I am convinced that the relations of friendship and cooperation between our two countries will be increasingly developed. On this occasion I wish you happiness and success in performing your honorable tasks.

Message to SRV Counterparts

BK0509042891 Vientiane Vitthayou Hengsat Radio Network in Lao 1400 GMT 4 Sep 91

[Text] Kaysone Phomvihan, president of the Lao People's Democratic Republic [LPDR], recently sent a thank-you message to Vo Chi Cong, chairman of the SRV State Council, for the latter's message of warm and profound congratulations sent to him on the occasion of his election as president of the LPDR.

On the same occasion, Khamtai Siphandon, prime minister of the LPDR, also sent a thank-you message to Vo Van Kiet, chairman of the SRV Council of Ministers, for the same reason.

Castro Sends Greetings Messages to Leaders

BK0609100491 Vientiane KPL in English 0903 GMT 6 Sep 91

[Text] Vientiane, September 6 (KPL)—Mr. Fidel Castro, chairmen of the the State Council and of the Council of Ministers of the Republic of Cuba, has recently extended two greetings telegrams to President Kaysone Phomvihan of the Lao PDR [People's Democratic Republic] and the Lao Prime Minister Khamtai Siphandon in connection with their election and appointment to new posts.

Leaders Greet DPRK Counterparts on National Day

BK0909101091 Vientiane KPL in English 0857 GMT 9 Sep 91

[Text] Vientiane, Sept 9 (KPL)—The republic's President Kaysone Phomvihan, President of the National Assembly Nouhak Phoumsavan and Prime Minister Khamtai Siphandon of the Lao PDR [Lao People's Democratic Republic] have sent to their counter-parts of the Democratic People's Republic of Korea a joint message of greetings on the 43rd national day of the DPRK.

The message said that over the past 43 years under the leadership of the Workers Party of Korea with Comrade Kim Il-sung as its head, the DPRK has seen extensive progress in all respects.

The Lao leaders were satisfied with the increasingly developed ties of friendship and cooperation between the two parties, governments and peoples to the common interest of peace and stability in the region and the world over.

They wished the Korean leaders and people success in the task of building their socialist country.

Leaders Send Sympathy to Cambodian Flood Victims

BK3108105291 Vientiane KPL in English 0900 GMT 31 Aug 91

[Text] Vientiane, August 31 (KPL)—President Kaysone Phomvihan, President of the National Assembly Nouhak Phoumsavan, and Prime Minister Khamtai Siphandon of the Lao PDR [People's Democratic Republic], have recently sent to their respective Cambodian counterparts—Heng Samrin, Chea Sim, and Hun Sen—a joint message of sympathy over the ongoing flood in some provinces of Cambodia, causing considerable damages to crops, settlements and properties of people in the areas.

The Lao leaders, having shared with the Cambodian leaders and people, in particular the flood victims, grief over the tragic event, believed that through the latter's efforts, all the damages would be restored and life could return to normal.

Philippines

Reportage on Bases Treaty Issues Continues

Referendum Resolution Filed

HK0709055291 Quezon City Radyo ng Bayan in Tagalog 0400 GMT 7 Sep 91

[Text] Nine senators filed a resolution calling for a national referendum on the ratification of the Republic of the Philippines-U.S. agreement within 90 days after it is voted on by the Senate. The resolution was filed by Senators Jose Lina, Vicente Paterno, Ernesto Herrera, Leticia Ramos-Shahani, Heherson Alvarez, Eduardo Angara, John Osmena, Alberto Romulo, and Mamintal Tamano.

Vote 'Technically Nonbinding'

HK1009013491 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 9 Sep 91

[Text] The proposed bases treaty has been rejected when 12 senators signed a resolution scrapping the treaty. The resolution against the U.S. military bases was signed by Senate President Jovito Salonga, Senators Joseph Estrada, Sotero Laurel, Teofisto Guingona, Juan Ponce Enrile, Wigberto Tanada, Ernesto Maceda, Victor Ziga, Orlando Mercado, Agapito Butz Aquino, Aquilino Nene Pimentel, and Rene Saguisag. The senators signed the resolution after the five-day public hearing conducted by the Senate Foreign Relations Committee. Yesterday's voting, which included all the senators, was technically non-binding, but had a strong impact on the treaty's supporters.

Eleven senators expressed their support for a resolution presented by Senator Leticia Ramos-Shahani recommending the ratification of the new bases treaty. These include Senators Neptali Gonzales, Mamintal Tamano, Santanina Rasul, Alberto Romulo, John Osmena, Jose Lina, Ernesto Herrera, Heherson Sonny Alvarez, Edgardo Angara, and Vicente Paterno.

The resolution signed by the majority of the senators is scheduled for debate in the Senate's plenary session today, before the final voting takes place this week. A two-thirds vote, or 16 pro-bases senators, is needed to ratify the bases treaty.

Aquino, Laurel Hold Meeting

HK1009030491 Manila MANILA BULLETIN in English 10 Sep 91 pp 1, 13

[By Fred M. Lobo]

[Text] President Aquino said yesterday "people power" will be mobilized again today to declare the people's stand on the RP [Republic of the Philippines]-U.S. Treaty of Friendship, Cooperation, and Security.

The President said she will lead the pro-treaty rally at 1 p.m. today in front of the Quirino Grandstand at the Luneta Park and then proceed to the Senate at the Executive House (old Congress building) on P. Burgos St, Ermita, Manila to have a brief meeting with the senators to convince them to vote for the treaty.

President Aquino and Vice President Salvador H. Laurel met at the Malacanang Guest House yesterday on the following points.

1. What will be the consequences to the nation if the treaty is not ratified?
2. If the treaty is not ratified, the Senate decision must be respected.
3. In case of non-ratification, the new administration must take the initiative for what happens next, such as renegotiation.
4. Due to a previous speaking engagement in Bacolod City, Laurel expressed his regrets he could not attend today's rally. Laurel is scheduled to speak before two civic clubs and meet top Nacionalista Party leaders, engagements which were scheduled weeks ago.

Calling for a show of "people power" in today's rally, Mrs Aquino said that whatever will be the outcome of the Senate voting on the treaty, "the people must be heard."

In a radio-TV address to the nation, the President said a number of the senators are inclined to reject the treaty since their decision is a democratic right fully guaranteed by the Constitution.

"But neither this fact, nor the possibility that the Senate may, as one body, reject the treaty, should preempt the people's right and freedom to make their voices heard, stand up, and be counted, and otherwise, make their own opinions and sentiments known to the nation at large," she said.

Mrs Aquino added that the people must be given the opportunity to air their views and reveal their position on the treaty.

"There are also those who say that, with the rejection of the treaty by the Senate, there is nothing more to be done. I say there is. The people must be heard," the President said.

She said various groups have expressed their support for the ratification of the treaty due to its economic and related implications to the country and the people.

Mrs Aquino said the country is not in a position to respond comprehensively to the problems created by Mt. Pinatubo's eruptions.

She added that the closure of Clark Air Base has watershed the problem and that it would be "foolish" to complicate the situation by expanding the dislocation to Subic Naval Base.

The President said the concerns and stand of the Filipinos must be heard by the Senators.

"It is on behalf of our countrymen that we are again mobilizing people power. Let us make our voices heard and join the people at Rizal Park," she said.

The President said "people power" proved its worth in toppling the Marcos dictatorship, and it should convey the people's sentiment to the Senate.

Organizers said over a million people are expected to join the gathering at Luneta Park. Various business, labor, farmers, and local officials said they will participate in the rally.

Mrs Aquino and other pro-bases leaders will take turns in calling for the treaty's ratification.

After her speech, the President will proceed to the Senate to meet with the senators. Observers said it will be the first time for Mrs Aquino to visit the Senate at the Executive House.

Laurel Expresses 'Concern'

HK1009022791 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 9 Sep 91

[Text] President Corazon Aquino has expressed the belief that the heated debate on the U.S. military bases issue will bring out something good regardless of its result. The president warned, however, that any speculation or preempting acts will be destructive.

Mrs. Aquino remains hopeful that the draft treaty will be ratified despite admission by Malacanang that both parties have prepared withdrawal committees to implement the dismantling of the military bases in case the Senate rejects the new treaty.

President Aquino and Vice President Salvador Laurel yesterday discussed the possible scenarios in the event the Senate does not ratify the bases treaty. However, both sides refused to disclose the government's plan if the Senate rejects the treaty. Laurel expressed concern that the military ranks will become restive again. The vice president refused to say if this is a hint for a new coup d'etat in the event no new agreement is enforced after the current agreement expires on 16 September 1991.

Possible Outcome, Effects Viewed

HK1009040091 Manila PHILIPPINES NEWSDAY in English 10 Sep 91 pp 1, 2

[By Ernesto L. Tugaff Jr. and Dionisio Tubianosa]

[Excerpts] United States military forces could continue to stay at Subic Naval Base and other installations in the country after September 16 this year even if the Senate finally rejected the new bases pact as Manila and Washington have yet to convene a joint withdrawal committee to discuss the mechanism for the orderly pullout of U.S. forces in Philippine territory, Ambassador Raul Ch. Rabe yesterday said.

Rabe, the director-general of the American Affairs Office of the Department of Foreign Affairs, told diplomatic reporters that the joint withdrawal committee as provided for under the 1988 Manglapus- Shultz Agreement would only convene after the Senate formally rejected the treaty of friendship, cooperation and security.

"Tecnically, what should be stopped is the military operations, but operations related to the withdrawal process will continue," Rabe said, adding that during the discussion process, U.S. military operations in the country must cease.

"Let us be reasonable enough," Rabe said. He said while the Constitution required the dismantling of U.S. military outposts here after September 16, the termination date of the current military bases agreement, the total pullout of U.S. forces in the country could not be effected overnight.

Rabe, a member of the Philippine bases negotiating panel, said the RP [Republic of the Philippines] committee would be chaired by Defense Undersecretary Feliciano Gacis, another member of the RP panel.

Foreign Secretary Raul Manglapus said last week he would contact Washington for the immediate activation of the withdrawal committee to be composed of representatives of both governments to effect the orderly pullout of U.S. forces here, after the intense lobbying by pro-bases forces failed to convince the anti-bases senators to concur in the controversial accord.

Although analysts said the U.S. could invoke the provision of the Ramos-Rusk Agreement, which gives Washington a one-year withdrawal process, the U.S. embassy made it clear that after the rejection of the proposed accord, they would immediately pull out their military facilities in the country.

The Constitution mandates that "no foreign military bases will be allowed in the country, unless under a treaty concurred in by the Senate which needs a two-thirds majority for concurrence.

The proposed Treaty of Friendship, Cooperation and Security concluded between U.S. and Philippine negotiators, which allows the U.S. to use key defense installations here for a $203 million annual compensation after the termination of the 1947 MBA [Military Bases Agreement], had met stiff opposition from the 23-member Senate. [Passage omitted]

Meanwhile, officials of the state-owned National Power Corporation [NPC] yesterday said the rejection of the RP-U.S. Bases treaty would derail many of the power projects pipelined for development even as a mission from the World Bank [WB] arrives next month to assess how the power firm fared in its bid for a financial turnaround.

NEWSDAY sources at the utility firm admitted that a rejection of the pact would have a telling effect on the recommendation of the World Bank which they perceived to be adverse with the treaty rejection.

The sources who requested anonymity also claimed that with the anticipated pullout of the U.S. military facilities with the non-passage of the treaty, many other investors

7

and international creditors would shy away from the Philippines as an investment area since they still view the U.S. installations as a stabilizing factor in the region.

The World Bank has given an ultimatum to the NPC to improve its financial position and its return on rate base (RORB), which it wants to be at eight percent against the five percent registered by NPC this past few months.

The WB and other foreign creditors are watching closely the RORB, an indicator of the financial viability of the power firm, which has performed badly last year with a net loss of P [Philippine pesos] 68 million and with a present cash deficit of some P10 billion.

Even NPC president Pablo Malixi expressed alarm last week when he said should the WB failed to extend its credit line, other financial institutions would follow, considering the lead role of the financial institution on matters pertaining to lending to developing countries.

Although there was no explicit WB decision in this regard, officials feel that a rejection of the bases treaty might adversely affect the NPC's future negotiations with the WB and other foreign creditors.

As this developed, NPC employees and officials were advised to join today's rally to be personally led by President Aquino to "avert further economic woes the country would face" with the non-passage of the treaty. The three NPC union and supervisors' associations said in a statement they would support today's rally. They will be fetched by several buses and brought to the Quirino grandstand.

Other offices of the government will send their employees to the rally and will only leave skeletal forces to man their respective offices.

Most of the rallyists would come from government offices, as well as Tarlac and Pampanga, the bailwick of Mrs. Aquino, sources said.

Antibases Senators Urged To Resign

HK0909030391 Manila Far East Broadcasting Company in Tagalog 0100 GMT 9 Sep 91

[Text] Antibases senators have been challenged to resign if rejection of the bases treaty throws the country into greater hardship. This challenge was issued by Pete Barrientos, president of the Filipino-U.S. National Foundation and the Filipino Statehood or U.S.A. Movement [name as heard] with a membership of not less than 2 million Filipinos. Barrientos said most of the contents of the new bases treaty is in accordance with the proposals of the Filipino panel who were in consultation with the Senate. He added that bases treaty rejection will also mean rejecting friendship and cooperation with America which Filipinos don't want to happen because America, he said, is prepared for this eventuality while we are not.

Mitra Warns Against Disruption

HK1009030291 Manila MANILA BULLETIN in English 10 Sep 91 p 8

[By Sid Roman]

[Text] Speaker Ramon V. Mitra Jr. issued yesterday a strong warning against groups or forces that may carry out sinister designs to disrupt or sow confusion in the mass actions set today.

"Whether rightist or leftist, those forces will be condemned if they turn democratic, peaceful rallies into riotous assemblies," he said.

The Speaker, at the same time, views the welter of contradicting views on the bases treaty as "a healthy sign that democracy is working to the advantage of all."

He noted that the senators themselves are sharply divided on the new treaty with the U.S., saying that the planned rallies today "are concrete signs of pluralism of convictions" on the issue of extending the presence of American facilities in Subic.

One mammoth rally is scheduled at the Rizal Park today, which will be staged to dramatize support for Malacanang's stand to have the treaty ratified by the Senate.

The other mass action, reportedly under the aegis of militant labor and human rights groups, is set at Liwasang Bonifacio and will be conducted to call for the rejection of the treaty.

"I also noticed that the media is divided," Mitra said. "Some editors are bases advocates while their publishers are anti-bases, and columnists dish out contradicting statements. Aren't these heartening effects of a working democracy which we did not enjoy during the martial law years?"

Referring to his own stand on the issue, Mitra said that he would rather listen to the voice of the people.

"As I had earlier stated, we cannot afford to risk the dislocation of the economy that a rejection of the agreement could set off," Mitra said. "With the treaty rejected, our country will lose rental payments, jobs and inflows of foreign exchange from the bases, and we cannot afford these losses at a time when we are beset by the adverse effects of a series of natural disasters."

According to the Speaker, the new agreement covers "only one base, the Subic Naval Base in Zambales, but the benefits of mutual relationship arising therefrom cover a complex of military, economic and cultural associations."

House Speaker's 'Silence' Viewed

HK0909073591 Quezon City MALAYA in English 9 Sep 91 p 11

[By Dinna Chan]

[Text] A strange uncharacteristic silence has enveloped Speaker Ramon V. Mitra and his House colleagues who are in favor of the bases treaty regarding the rally-cum-march to the Senate that President Aquino and Vice-President Salvador Laurel will lead tomorrow.

Are they joining? If not, why not?

It's not typical for Mitra and the publicity-seeking politicians who inhabit the House to pass up an opportunity like this one to make themselves visible to the hundreds of thousands who'll take part in the march and the millions more who'll be watching it on television. By a huge majority, the congressmen have expressed their support for the treaty in no uncertain terms. In fact they're even debating a resolution that would declare it perfectly all right for the Senate to concur in it by a simple majority vote, not by two-thirds as the rest of the country has always thought.

So why haven't they shouted their reverberating enthusiasm for Mrs. Aquino's demonstration? Why have they greeted it with deafening silence instead? Could it be they're not convinced of its wisdom and/or propriety? Could it be they want to show scrupulous respect for the principle of separation of powers? Questions, questions.

Speaker Mitra, particularly, may have a lot to lose if he does not show up. His rival for the LDP [Struggle of the Filipino Democrats] presidential nomination, former Secretary Fidel Ramos, will surely be there, not wanting to miss an opportunity to demonstrate solidarity with the U.S. which should please the White House, the Pentagon, the U.S. Embassy and all his former classmates at West Point no end. It would also reassure the majority of Filipinos believed to be in favor of retaining the American presence.

If Mitra isn't there, what will the Americans think? That he has been stricken with pangs of conscience and has decided to revert to his long-standing hostility to the U.S. bases? But he can always plead that he was only a private citizen at the time of the so-called convenors' pledge, with only his family to look after. And if he isn't at the rally, the entire country will remember his absence as well as Ramos' presence. How will this translate into votes in the elections next year?

Our guess is that Mitra and Co. will be at the rally-cum-march, in full everything. They know a majority of the people favor the treaty, so that the arithmetic is on their side. They know how helpful—or harmful—the Americans can be in Philippine elections. They know Mrs. Aquino is gambling everything on this issue. This may be the most important consideration for Speaker Mitra, who believes her blessings and endorsement will be a plus factor next year.

Constitutionally, the House has no business meddling in the bases question. This is the Senate's exclusive prerogative and responsibility. But the congressmen think they can feel the nation's pulse better because they have clearly-defined constituencies and are regularly in touch with them, while the senators occupy some kind of remote ivory tower.

Whether that's true or not, the next question: will the pro-bases senators march with Mrs. Aquino?

'25,000 Muslims' To Attend Rally

HK1009020891 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 9 Sep 91

[Text] 25,000 Muslims are expected to attend the rally which is headed by President Corazon Aquino at the Quirino Grandstand. This was confirmed by Executive Director Ali Basser Lukman of the Office of Muslim Affairs in a news conference. Lukman said that the number of Muslims attending the rally is a way of showing support to President Aquino, Senator Mamintal Tamano, and to all Philippine countrymen. Lukman clarified that supporting the retention of the U.S. military bases is for the welfare of the country they treasure and not for their Muslim counterparts, who will not even be affected if the treaty is not ratified. Lukman expressed belief that the retention of the U.S. bases in the country is very much needed because this will help those thousands affected by the eruption of Mount Pinatubo.

Text of Muslims' Declaration

HK1009041691 Quezon City Radyo ng Bayan in Tagalog 0320 GMT 10 Sep 91

["Declaration of Support for the Republic of the Philippines- U.S. Treaty" by the Conference of Muslim Filipino Organizations in Metro Manila; read by John Manalili—in English]

[Text] We the Muslim citizens of this country declare our unwavering support in forging a national consensus that the ratification of the treaty is of our national interest. Our position which is articulated in the Philippine Senate by Senator Mamintal Tamano and a number of his colleagues who share the same perception is anchored on the following considerations:

First, the agreement both reflects and provides broader and more mature bilateral relations based on mutual respect and common interest. It represents substantial economic and military benefits and assistance to the Philippines in the next 10 years, while continuing our defense partnership in the promotion of regional growth and stability.

Second, realism compels us to recognize that in the event the Philippine Senate rejects or fails to ratify the treaty, the withdrawal of the United States from Subic Naval Base and the announced closure of Clark Air Base in 1992 would adversely affect our economy.

Third, the United States as the linchpin of the democratic ideal has always stood for the rule of law as a civilizing force in international relations and has always embodied a commitment to foster democracy, freedom, and human rights as demonstrated by their forces that came in defense of Saudi Arabia, site of the holiest shrines in Islam and the liberation of Kuwait, and lately there were new initiatives for peace in the Middle East.

Finally, in the more constricted Muslim Filipino perspective, the continuing presence of the U.S. military bases deters military adventurism by elements of the rebel movements. Thus ensuring an enduring atmosphere of peace for the country and in the unlikely event of a change in the U.S. economic policy toward the Philippines as a consequence of nonratification, this will seriously affect the coconut and seaweed industries in Mindanao to which a great number of Muslims are dependent.

In view here up, we wish to kindly appeal to our senators who have earlier expressed opposition to the ratification of the treaty and those who have abstained to reconsider their position. There is so much at stake, and it is too great a risk to commit the future of our country and people simply because of the fictional notion that the presence of the U.S. military bases in the country diminishes our national sovereignty. This is not so and we assure our beloved senators that the Muslim Filipinos will stand by them and if need be shed our blood in the defense of that sovereignty.

Aquino Urges Rally for Treaty

HK1009015991 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 9 Sep 91

[Text] President Aquino has called on the people to show people power once more so that the senators may listen to their wish that the new bases treaty be ratified. The president issued her call despite rejection by 12 senators of the Republic of the Philippines-U.S. Treaty of Friendship, Cooperation and Security. Mrs. Aquino stressed that the people power part two is important in order to show the senators rejecting the treaty's ratification that they cannot stop the people from expressing their opinions on the issue. The chief executive explained that similar to the people power in 1986, the people's voice, opinion, and stand on the military bases issue should be heard.

Mrs. Aquino said she will no longer press for the treaty's ratification if the rally she will lead today becomes a failure.

Over one million people are expected to join the rally today to show their support for the treaty.

Police on 'Red Alert' Status

HK1009024791 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 9 Sep 91

[Text] Capital Command Chief Major General Marino Filart ordered a red alert status on all police forces in metro Manila today in preparation for the rallies of the pro- and antibases organizations in Luneta Granstand and Liwasang Bonifacio. General Filart took this step after Manila Mayor Mel Lopez Jr issued a permit to the two groups, one of which will be headed by President Aquino. Filart formed a 2,000 police force that will give security to those attending the rally regarding the issue of the bases treaty between the Philippines and the United States.

More 1,500 members of the Western Police District [WPD] who gathered from different police stations were ordered by WPD Superintendent Brigadier General Ernesto Diokno to maintain the peace and order situation in the coming rally today. In relation to this, Mayor Lopez released guidelines to prevent violence if the two groups face each other. The mayor held a meeting with the organizers of the rally in his office to gain assurance that there will be no trouble and that they will not use the same assembly points, such as the Welcome intersection.

Spokesman: Military Not on Alert

HK1009055891 Manila Manila Broadcasting Company DZRH in Tagalog 0530 GMT 10 Sep 91

[Interview with spokesman of Armed Forces of the Philippines Colonel Victor Garcia by Joe Taruc; place and date not given]

[Text] [Taruc] Good afternoon Colonel. These preparations in the military camps, are these part of the red alert status declared by the authorities?

[Garcia] As far as the Armed Forces of the Philippines is concerned, we are not on red alert.

[Taruc] Only the Philippine National Police?

[Garcia] Yes, only the PNP is prepared for this due to the rally. And it is the agency responsible for this event.

[Taruc] Are there intelligence reports which they should be prepared for, Mr. Colonel?

[Garcia] The truth is we are not aware of anybody who will create trouble here but nevertheless, we can not rule out the occurrence of trouble because there are elements beyond our control. However, if this happens, we do have contingency for this.

Aquino Speaks to Pro-Bases Rally

HK1009085891 Manila Manila Broadcasting Company DZRH in Tagalog 0708 GMT 10 Sep 91

[Speech by President Corazon Aquino at rally in support of bases treaty ratification at Quirino Grandstand, Rizal Park, Manila; live]

[Text] Many thanks to all of you for coming here this afternoon. Please sit down.

I was saddened yesterday because of the voting in the Senate. Two resolutions were presented to our senators. One is pro-bases, presented by Senator Letty Shahani, and the antibases resolution was presented by Senator Tanada.

We all know that only 11 senators signed the pro-bases resolution while 12 senators rejected the treaty.

I was wondering what went wrong from the time I appeared before you and sought your help for our senators. Perhaps you can still remember when I told you to vote for my senator-candidates because they will be helping me. Maybe some have forgotten because that was five years ago. But thanks [as heard] there are still some senators who have not forgotten and told me they will continue to help me. [applause]

Today, I want to give my heart-felt gratitude to the 11 senators who voted for the pro-bases resolution. They are here today and led by Senator Neptali Gonzales. May I request Senator Neptali Gonzales to stand. [applause] Senator Heherson Alvarez, Sonny Alvarez, is also with us. [applause] Senator Joey Lina is also with us. [applause] Senator Ernesto Herrera is likewise here. [applause] Senator Mike Tamano, too. And John Osmena is also with us. [applause] The other senators failed to join us here because two are ill, Senator Paterno and Senator Shahani. Senator Romulo was unable to come, but he signed the pro-bases resolution. Senator Santanina Rasul, who went to Cotabato today, so she was unable to come here. But she also signed the pro-bases resolution. Senator Angara is the 11th signatory.

These 11 senators have been loyal to their promise and to the help I sought from you, which is why they are still helping me. Let us give them a round of applause. [applause]

You know, this past week, I met with our senators. I called for them one by one and I talked to them. In my whole life, I have never wooed anyone. I am not used to courtship. This is the only time I have courted somebody. I told these senators: I am not claiming back any good favor because you owe me nothing. But you owe our people. You owe them. [applause] I told some of them: What don't you want in this treaty? One told me: I just don't want the Americans here any more. I said: Ten years from now, the Americans will leave. But he said he does not want the Americans.

When I told my friends this, they asked me: Does their rejection of the Americans mean they will no longer go to America? Will that mean that they will no longer send their children to study in America? And if they fell ill, will this also mean they will not seek treatment in America? These are the questions put to me. I have no answers to these. You talk to the senators, if this is what they meant by saying they no longer want the Americans.

Now, I asked this: In case you reject this treaty, what alternative can you give to our people? What can I tell our people—they have already rejected the treaty, here is the alternative they are giving you? The sad thing is they cannot tell me anything concrete in place of this treaty which offers jobs to our brothers in Subic. They also cannot tell me any alternative in case the garment quota could not be increased, especially if this quota is reduced. The only thing they told me is: Never mind, President Cory, if we become poorer, the Philippine nation will become stronger.

I told them I cannot tell that to our people. I cannot tell them to suffer more. Perhaps I myself can still suffer because I have not yet experienced that which was experienced by the people who do not have jobs, those who have no source of food to give to their children. So I cannot tell you to endure more poverty. I cannot say that.

Another thing I asked them is: What don't you like about this treaty? They said: It's for 10 years, why is it that long? It could have just been five or seven years only. On this, I said: Maybe if the Mt. Pinatubo disaster had not happened, I would have really remained firm and would have said: No way, it has to be seven years only. That was what I told Secretary Manglapus.

However, Mt. Pinatubo happened and we saw that until now, the mudflows have been unceasingly flowing to Pampanga, Tarlac, Zambalez, and even in Bataan. What can I say to our brothers there? Should I tell them to be patient because the senators wouldn't want the Americans to stay here beyond five or seven years?

Before I came here, some told me: President Cory, better give up. The treaty is already defeated. They told me that 12 signed the pro-bases resolution and only 11 signed for the pro-bases resolution. [sentence as heard] So they told me: You are just wasting your effort. You will go to Luneta. You will tire the people, and yet nothing will happen. What I told them is this: In 1986, after the elections, when we were being cheated by the dictator, I walked and went to different places, and whenever people saw me, they were shouting and saying: Cory, what can we do? And that was repeatedly said to me. So when we, the leaders of the opposition, met, I said, and I remember asking Senator Neptali Gonzales: Neptali, can we still call for a rally? Senator Gonzales told me: You know, after an election, a rally is rarely called for. Especially if you lost, you can no longer call for a rally.

Nonetheless, I told him: You know, this has been repeatedly asked for by the people, what else can we do? So I said: Please agree. Let's call for a rally. And they asked me, where do you want to call a rally? I said: In Luneta. They said: Let's hold it at Liwasang Bonifacio, so that no one will notice us in case only a few people appear there. I said: It is time for us to know if the Philippine people are still united with us. We will go to Luneta. If the people will not come, that means thay have already surrendered. That means they have already said yes to Marcos. But if the people go there and tell us to continue our fight, we will know that we should still continue with the fight.

So this afternoon, we pursued this rally, because I want to know, I want to see, I want to hear what you want. Do we say yes to the treaty? [shouts of "yes"] That is what I want to hear, so that after this, I will walk. I will go to the Senate and I will tell our senators what the people want. [cheers, applause] You have to accompany me in going there. [cheers, applause] Because my vote is only one. I need all of you there so they will see the strength of the nation. [applause] You know, maybe I am one of the most fortunate in this world. Because I used to be just a plain housewife, then became the president. There were seven coup attempts. We had an earthquake. We had the Gulf crisis. We had Typhoon Ruping. And now there is this Mt. Pinatubo eruption. Maybe with just one of those, I should already have been ejected as president. But because of you, I became stronger and my love and trust in all of you grew more. [cheers, applause] Before the rain starts, let's all go to the Senate and let's shout to the senators: Yes to the treaty. Thank you very much.

Nonconcurrence Resolution Text

HK1009033591 Manila PHILIPPINES NEWSDAY in English 10 Sep 91 p 10

[Full text of the nonconcurrence resolution introduced by Senator Leticia Ramos-Shahani]

[Text]Resolution

EXPRESSING THE DECISION OF THE SENATE NOT TO CONCUR WITH THE TREATY OF FRIENDSHIP, COOPERATION AND SECURITY AND ITS SUPPLEMENTARY AGREEMENTS, SIGNED ON 27 AUGUST 1991

NOTING the worthy and laudable objectives and principles underlying the Treaty of Friendship, Cooperation and Security between the Government of the Republic of the Philippines and the Government of the United States of America, and its three Supplementary Agreements, signed on 27 August 1991 and now submitted to the Senate for concurrence, as stated in the Preamble of the Treaty, particularly the mutual desire of the two countries "to recast their historic ties of friendship in the light of present and emerging realities in the domestic, regional and global situation and in the context of full recognition of and respect for each other's independence, sovereignty and territorial integrity."

RECOGNIZING that these objectives and principles are in accord with the aspirations of the Philippines as a peace-loving member of the community of nations.

CONCERNED that the Treaty fails to uphold the principle of sovereign equality, being a form and essence a one-sided, unequal agreement that does not provide for reciprocal rights and obligations for the two countries; the obligations of the Philippines and the rights of the United States being spelled out in detail in the Treaty and the Supplementary Agreements, while the obligations of the United States and the rights of the Philippines, particularly with respect to economic concerns, are not in the Treaty and are, instead, contained in a non-binding Side Letter of the President of the United States, which is not a part of the Treaty.

SERIOUSLY CONCERNED that the Treaty, with its Supplementary Agreements, in text and spirit, flagrantly manifests a general lack of respect for the Philippine Constitution, specifically with regard to:

Article II, Section 1, which declares that "the Philippines renounces war as an instrument of national policy ... and adheres to the policy of peace, equality, justice, freedom, cooperation and amity with all nations;"

Article II, Section 7, which declares that "the Philippines, consistent with the national interest, adopts and pursues a policy of freedom from nuclear weapons in its territory;"

TAKING INTO ACCOUNT that the Treaty and Supplementary Agreement Number Three allow the use by the United States of installations in Subic Naval Base for a period of ten (10) years after the expiration of the Military Bases Agreement on 16 September 1991 for the purpose, interalia, of "projecting or operating United States forces from the installations under conditions of peace or war;"

TAKING INTO ACCOUNT, further, that Supplementary Agreement Number Two allows the storage and installation of nuclear or non-conventional (meaning biological, chemical and bacteriological) weapons on Philippine territory, albeit subject to the agreement, allows the transit, overflight and visit by United States aircraft or ships carrying such weapons;

CONCERNED that Supplementary Agreement Number Two opens the possibility of allowing the United States with the approval of the Philippine Government, to include in the use of the installations "the exploration, exploitation, development, or utilization of natural resources;" and thereby violates Article XII, Section 2, which provides that "All lands of the public domain, waters, minerals, coal, petroleum, and other mineral oils, all forces of potential energy, fisheries, forests or timber, wildlife, flora and fauna, and other natural resources are owned by the State. With the exception of agricultural lands, all other natural resources shall not be alienated. The exploration, development, and utilization of natural resources shall be under the full control and supervision of the State. The State may directly undertake such activities, or it may enter into co-production, joint venture, or production-sharing agreements with Filipino citizens or corporations or associations at least sixty per centum of whose capital is, owned by such citizens;"

CONCERNED, moreover, that the Treaty does not comply with Article XVIII, Section 25 of the Constitution which declares that "After the expiration in 1991 of the Agreement between the Republic of the Philippines and the United States of America concerning Military Bases, foreign military bases, troops or facilities shall not be allowed in the Philippines except under a treaty duly concurred in by the Senate ... and recognized as a treaty by the other contracting State" because the Treaty provides that it shall be ratified by the Government of the Philippines but merely "otherwise accepted" by the Government of the United States;

CONFIDENT that with sound economic policies and programs, clean and efficient governance, more imaginative approaches to problems, and the resolute will and determination of the entire nation, the Philippines has sufficient domestic resources and capability to draw from to be able to address its needs, surmount the temporary difficulties, and move forward towards its goals and aspirations for the well-being and contentment of the people which is the foundation of national security.

BELIEVING in the statements of responsible United States officials, including the US Special Negotiator, that Philippine-American relations go beyond the bases question and are founded on shared ideals of freedom, democracy, justice and fair play;

OBSERVING that the retention of the United States military installations in the Philippines is anachronistic in the context of the contemporary international situation characterized by the dismantling of the Cold War machinery and progressive disarmament and demilitarization, and therefore does not contribute to the "maintenance of international peace and security" which is cited as a shared concern of the two Governments in the Preamble of the Treaty;

Recalling that, on the other hand, historically, the United States military bases in the Philippines have been instruments of colonialism and international intervention, have caused derogation of Philippine sovereignty, and have perpetuated Philippine dependence on the United States for defense and security;

FINDING that the Treaty constitutes, a defective framework for the continuing relationship between the two countries in the spirit of friendship, cooperation and sovereign equality;

NOW, THEREFORE, BE IT

RESOLVED by the Senate, as it is hereby resolved, to express its sense not to concur in the ratification of the Treaty of Friendship, Cooperation and Security and its Supplementary Agreements, noting their violation of the Constitution, the inequality, lack of symmetry, ambiguity and other flaws in their provisions, the failure to achieve their declared objectives, and the general deficiency in providing adequate protection for Philippine national interest.

NON-CONCURRENCE:

(SGD.) Aquilino Pimentel Jr.
(SGD.) Juan Ponce Enrile
(SGD.) Wibergo Tanada
(SGD.) Victor Ziga
(SGD.) Teofisto Guingona
(SGD.) Joseph Estrada
(SGD.) Jovito Salonga
(SGD.) Sotero Laurel
(SGD.) Agapito Aquino
(SGD.) Ernesto Maceda
(SGD.) Rene Saguisag
(SGD.) Orlando Mercado

Aquino Submits Two Compromises

HK1009104691 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 10 Sep 91

[By Jojo Ismael from the Senate]

[Text] During the one-and-a-half-hour meeting with the senators, President Aquino reiterated House Speaker Ramon Mitra Jr.'s earlier proposal to directly consult the people on the ratification of the treaty instead of having the Senate to ratify it.

Yet, Senate President Jovito Salonga said that this is impossible. Salonga pointed out Article 18 Section 35 of the Constitution, which states that only the Senate can ratify a treaty.

The second proposal came from Philippine Ambassador to the U.S. Emmanuel Pelaez which would call for five out of the 12 antitreaty senators to render their critical yes vote to pave the way for a referendum. But who among the 12 senators may reverse their position?

Abadia Expresses Disappointment

HK1009090191 Manila Manila Broadcasting Company DZRH in Tagalog 0654 GMT 10 Sep 91

[By Fernan Imberga from Camp Aguinaldo]

[Text] A news conference is being held here in Camp Aguinaldo in which Armed Forces Chief of Staff General Lisandro Abadia expressed his disappointment over the decision by the senators, who he says are following the view declared by the National Democratic Front which is to reject the new agreement on the U.S. military bases in the country. General Abadia said this is happening at a time when the military is waging a campaign against the communist insurgency and is starting its modernization program, which will be derailed if the bases treaty is rejected. The chief of staff voiced his sentiment that the military has the right to be heard by the Senate. Abadia expressed skepticism about the Senate's intention of rejecting the bases treaty.

Drilon: Treaty May Be Ratified

HK1009110391 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 10 Sep 91

[By Jojo Ysmael]

[Text] In an interview, Secretary Drilon said that there are senators who secretly told him that they will respond to President Aquino's call for the Senate to ratify the new treaty. Although he refused to divulge the names of the said senators, he stressed that there is a big chance that the treaty may be ratified because of this change in the stand of these senators.

He also said that these senators only wished to show their objections to some provisions of the treaty, in particular the aspect of the U.S. economic aid to the Philippines.

Meanwhile, the Senate has now started its deliberations on the treaty and it is expected that they will begin voting on Sunday.

Garcia Files Restraining Order

HK1009121291 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 1100 GMT 10 Sep 91

[Text] Congressman Pablo Garcia filed a temporary restraining order on the new bases treaty before the Supreme Court. This was disclosed by Lito Banayong, Senator Orlando Mercado's technical assistant. According to Banayong, he witnessed the filing of the restraining order by Garcia when he went to the Supreme Court to talk with Justice Marcelo Fernan.

Garcia said that by means of a judicial question, the question of ratification has to be approved by the people first before any voting can be undertaken. Before this, Congress and ten senators proposed a referendum on the treaty be held.

Senators Conduct Caucus 10 Sep

HK1009122891 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 1100 GMT 10 Sep 91

[On-the-spot report and interview with Senators Santanina Rasul and Juan Ponce Enrile by Henry Umaga Diaz from the Senate lounge—live; italicized portions in English]

[Text] [Henry Umaga Diaz] The caucus conducted by the senators here in the Senate lounge has just finished and we will know from some of the senators here what has been agreed upon. Here is Senator Santanina Rasul. Excuse me, ma'am, what has been agreed on in your caucus?

[Santanina Rasul] Well, the suggestion a while ago, *to... [changes thought] for five antibases senators to vote a conditional yes, just to be able to comply with the constitutional provision for a referendum, was turned down.*

[Diaz] Does that mean that the treaty has no more hope?

[Rasul] Well, we will still have a caucus tomorrow. *We will still have another caucus.*

[Diaz] Okay, that is it friends. The session here has started so I will have to exit for now. The senators turned down the proposal that five out of the 12 senators rejecting the treaty to vote for deliberation [as heard] to allow for a referendum. This was turned down in a caucus which has just concluded.

I am now with Senator Juan Ponce Enrile regarding turning down the compromise proposal. I understand, Senator, the proposal of Ambassador Pelaez was turned down.

[Juan Ponce Enrile] Their proposals are very shallow. We seem to be like children who cannot understand what we are doing here, so the senators are just staring at each other. So, I think nothing will happen with that.

[Diaz] What does that mean? Does that mean that the treaty has no more hope?

[Enrile] That is my view, because even the proposals being formulated by the administration now are very shallow. They seem to be proposals of simple thought.

[Diaz] There was a proposal that at least there should be consultation in whichever process in accordance with the Constitution; has there been any discussion about this?

[Enrile] None because the proposal they made was to hold a lottery among those who may vote technical yes. And some senators said that would be a deception to the country if we do that. We would be deceiving the Philippine people.

[Diaz] So it is really defeated, if the 12 senators are sticking to their position?

[Enrile] Yes, the 12 are really sticking together.

[Diaz] Thank you, sir. Okay friends, that was Senator Juan Ponce Enrile. The senators turned down the proposal of Ambassador Pelaez for five, magic five, to ratify and give way to a referendum. This has no more hope. I have also spoken to Senator Joseph Estrada, Senator Bobby Tanada, and even Senator Butz Aquino; and they remained firm on their position that the treaty should not be ratified.

In connection with the Pelaez proposal which was turned down during the just-concluded caucus, they did not give in, despite the personal visit of President Aquino, Ambassador Pelaez, and other government officials who attempted to convince the senators. For the last chance, they really turned it down. And, according to Senator Joseph Estrada, they will never reverse their position. He stressed that their position is not for the interest of a few known people but for the common good of the Filipino people.

What is really needed is for the Filipinos to prove that we can stand on our own; and with proper government management, serious cleanup of the administration, particularly of graft and corruption, and efficient tax collection, we can prevail. These were some of the alternative sources of funds specified by Senator Estrada, in case the Philippines will really be left on its own without the military bases of the United States in our country.

Student Leader Condemns Bombing

HK1009100591 Manila Manila Broadcasting Company DZRH in Tagalog 0900 GMT 10 Sep 91

[By Bing Ruedas of DZRH Unit No. 15—live; italicized passage in English]

[Excerpt] [Ruedas] I am here between the antiriot [police] and antibases groups, where I have asked Nathaniel Santiago [chairman of the League of Filipino Students] to give a reaction in connection with the explosion in front of the City Hall. We tried to find out if their group had something to do with it, and he said:

[Begin Santiago recording] [passage indistinct] Those who are rallying there are not our enemies. They are our provincemates who were paid or threatened to join the rally. We condemn whoever caused that explosion and hurt our provincemates who are there. We are sure that this is the work of forces which would like to cause trouble and negate the success we have gained due to the Senate's rejection of the treaty. It shows that our position is justifiable and they are doing this as a desperate step to negate our gains. So on the part of the New Nationalist Alliance, we condemn the bombing which occurred there. We are sure that this is the work of people who would like to cause trouble for [word indistinct] so they can justify whatever drastic political move they will carry out. *And we want the people to be vigilant.* [passage omitted] [end recording]

Ramos Says If Elected, 'New Deal' for Mindanao

HK0909092291 Manila THE CHRONICLE in English 9 Sep 91 p 3

[Text] Davao City—Former Defense Secretary Fidel V. Ramos pledged Saturday to give top priority to the development of Mindanao "if given the chance at leadership of government.

Addressing councilors of Mindanao at the First Island Congress of the Philippine Councilors League in this city, Ramos decried what he called the "superficial" progress of a region rich in natural resources and attractive enough to entice local and foreign investors.

Contrary to its image as a "land of promise," Ramos observed, Mindanao suffers from the same problems besetting less-endowed areas. "poverty is particularly severe here in Mindanao where it has given rise not only to Communist insurgency and secession movements, but also to other forms of social violence," he stressed.

The key Ramos said, is in addressing the priority needs of Mindanao. He than proceeded to list three areas that must be given attention: peace and order, harnessing the island's electric power potential, and upgrading of its transportation and communication facilities.

But right now, he said, the most critical need is to generate jobs.

"The job situation is critical enough for government to launch short-term and labor-intensive rural infrastructure, reforestration and environmental conservation and protection, agriculture, and fisheries programs in all of Mindanao," Ramos declared.

The former defense secretary, explained how his program of government based on empowerment would provide a "new deal" for Mindanao.

It would start, he said, with the empowerment of local governments through two key reforms: the restoration of initiative and resources to local communities through improved local government administration, and the devolution of more power and responsibilities to local government units.

This should be accompanied, Ramos added, by the empowerment of families and individual Filipinos to make them more productive and efficient producers of additional wealth for the nation. The real challenge, he pointed out, is not so much more equitable distribution of wealth, "though this is important," as the creation of new wealth "so that there is a bigger national pie to share."

Military Deputy Chief of Staff Retires Early

HK0309075491 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 2 Sep 91

[Text] Major General Alexander Aguirre, former deputy chief of staff of the Armed Forces of the Philippines [AFP], has formally announced his retirement from the military. In his one-page letter to Defense Secretary Renato de Villa, the controversial general said he presented his optional retirement which will take effect on 31 October this year. Aguirre stressed that he ended his military service early to continue his civilian profession as a lawyer and economist in which he can be of more service to the country and people. Aguirre was scheduled to retire in 1995 when he will have served for 34 years in the military. It will be recalled that Aguirre resigned from his post as the AFP deputy chief of staff after opposing President Corazon Aquino's decision appointing General Lisandro Abadia to replace retired General Rodolfo Biazon as the AFP chief. He temporarily went on leave after the controversial resignation. Aguirre was a top-notcher in the 1971 bar examination and a PhD candidate in Economics at the University of the Philippines.

Aquino Approves Abadia's Reconciliation Efforts

HK0309111591 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 3 Sep 1991

[By Dick Sinchongco of DZRH Unit No. 6]

[Text] President Cory Aquino has stressed that Armed Forces Chief General Lisandro Abadia's reconciliation efforts with rightist rebels has her permission. President Aquino said that the reconciliation Abadia is undertaking within the military organization has the full support of the civilian government and military officers.

In a statement read by Press Secretary Thomas Gomez III, the president said:

[Begin Gomez recording in English] The chief of staff is pursuing reconciliation within the Armed Forces, a process that is being done with the full support of the government, both civilian and military. [end recording]

The president issued this statement following Abadia's decision to release a number of detained soldiers implicated in past coup attempts against the Aquino administration. According to the report, some soldiers with the rank of first or second lieutenant involved in the August 1987 and December 1989 coup attempts, were released to their superior officers. It was said that the step undertaken by Abadia is aimed at opening the door to reconciliation within the military establishment.

Released Rebel Lieutenants Pledge Allegiance

HK0409122991 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 4 Sep 91

[Text] The 15 Philippine Army lieutenants who were involved in different coup attempts have formally pledged allegiance to the Constitution at Fort Bonifacio. The soldiers were released from detention yesterday and were placed in the custody of their respective commanders. In the ceremony, Major General Arturo Enrile stressed that reforms in the Armed Forces of the Philippines will never be achieved by force or violent means.

At the same time, Enrile expressed his support for the efforts of General Lisandro Abadia to hold dialogues with the members of the Reform the Armed Forces Movement-Soldier of the Filipino People-Young Officer Union who are still at large.

Rebel Generals Laud Release of Junior Officers

HK0409034891 Manila Far East Broadcasting Company in Tagalog 0100 GMT 4 Sept 91

[Text] Rebel leaders former Brigadier General Eduardo Abenina and former General Jose Comendador expressed their happiness over the step taken by Armed Forces Chief of Staff General Lisandro Abadia in releasing the detained members of the Reform the Armed Forces Movement.

It was also said that Comendador and Abenina were two of the emissaries who were sent by Abadia to rebel Colonel Gregorio "Gringo" Honasan to set up peace talks between the two.

Both Abenina and Comendador believe that with the release of the 29 rebel junior officers, Honasan may now consent to Abadia's call for a peace negotiation.

Abenina and Commendador were witnesses to the release of these lieutenants who were with them in the attempted coup d'etat against the Aquino government.

Court Orders Release of Former Communist Leader

HK0309011991 Manila PHILIPPINE NEWSDAY in English 31 Aug 91 p 3

[Text] Capas, Tarlac—A provincial court Friday ordered a communist leader released after he pleaded guilty to an offense with a penalty shorter than the time he spent in jail.

Judge Josefina Ceballos of the town of Capas, sentenced Juanito Rivera, 57, to a prison term of three years, six months and 20 days after he pleaded guilty to the lesser offense of proposal to commit rebellion.

Rivera had been charged with illegal possession of firearms to aid rebellion, which could have sent him to jail for 20 years.

But Ceballos ordered Rivera freed Friday because he had spent two months and 24 days longer in jail than the penalty. Ceballos also ordered Rivera to pay a fine of P [Philippine peso] 2,000.

Rivera is suspected to have taken over command for the New People's Army after its founder, Dante Buscayno, was arrested by soldiers in August 1976. He was arrested in November 1987 in Capas.

Rivera told reporters he would not rejoin his comrades and would devote his remaining years to his family and attend to his small farm in Capas.

Military Ordered To Review Anti-NPA Operation

HK0309120691 Quezon City DWDD Defense Department Radio in Tagalog 0700 GMT 3 Sep 91

[Text] Defense Secretary Renato de Villa has ordered field commanders to review their tactical operations against the New People's Army [NPA] following reports that the communist rebels have formed an effective way to counter the military's Operation Plan [Oplan] Net Trap. De Villa issued the order after a command briefing at the headquarters of the Northern Luzon Command [Nolcom] in Tarlac. Nolcom officials said that the leaders of the Communist Party of the Philippines-NPA have adopted new tactics to counter Oplan Net Trap. Oplan Net Trap, since its launch by the military in 1988, is considered a success by various sectors and has weakened NPA forces, especially in the countryside.

NPA Rebels Threaten To Bomb Geothermal Plant

HK0309120991 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 3 Sep 91

[By Benjie de Galicia of DZRH Unit 20]

[Text] The Banahaw Command of the New People's Army [NPA] has threatened to blast [as heard] the Philippine Geothermal Plant in barangay Ditin, Bae Laguna, if the company does not pay revolutionary tax. According to a source, Leopoldo Mabilangan alias Comrade Hector, head of the Banahaw Command, has sent six warning letters to Virgilio Navarro, the manager of the plant. It was learned from the letter signed by Comrade Hector that the movement is asking for P [Philippine pesos] 5 million in revolutionary tax and protection fees per month. Hector first sent a letter on 20 July through a plant employee who was made a courier after being kidnapped by the NPA from his house. Navarro received another threat on 18 August saying an explosion at the plant will allegedly take place this month. It was learned that the plant supplies 25 percent of the total electricity consumption of Metro Manila, Central Luzon and nearby provinces in Southern Luzon. Many people will be affected if the rebels fulfill their threat to bomb the plant. The source also said that the NPA rebels will not only carry out the bombing but will also kidnap foreign employees of the plant for ransom.

Progress of Operation Against NPA Rebels Noted

HK0409135891 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 1100 GMT 4 Sep 91

[Text] The Philippine National Police [PNP] hopes that the Communist Party of the Philippines-New People's Army [NPA] will be scattered into smaller groups soon. PNP Director General Cesar Nazareno said that their massive military operation against the NPA rebels in Southern Luzon region is a major assault to the NPA rebels in Quezon province and the Bicol region. Nazareno added that because of the series of military arrests of high-ranking rebel leaders these past few days, the problem of insurrection in the country has lessened. Nazareno went to the Southern Luzon region in order to learn the progress of the military operation against communist elements in the area.

Cabinet Cluster E Okays Peace Talks in 13 Areas

HK0609034191 Manila PHILIPPINES NEWSDAY in English 6 Sep 91 p 3

[By Dionisio Tubianosa]

[Text] The Cabinet Cluster on Political Affairs (Cluster E) has approved the initiation of peace talks with communist insurgents in 13 selected provinces, Cluster E chairman and Executive Secretary Franklin Drilon revealed to Palace reporters yesterday.

Drilon disclosed that the 13 provinces were: the mountain Province, Benguet, Pangasinan, La Union, Nueva Vizcaya, Tarlac, Zambales, Bataan, Cavite, Palawan, Bohol, Cebu and Leyte.

Under the plan, local government executives as well as the local military commanders would take a "lead role" in the process, Drilon said.

Drilon explained that the 13 provinces were selected because studies showed that the chances of success were greatest in these pilot provinces.

He added that the selection of these areas would be "without prejudice" to other provinces where people talks might also succeed.

He also expressed the hope that the local peace processes would result in the formulation of a local peace program and an action plan that would "give an understanding of and address the roots of armed conflict in the area, and provide mechanisms for reconciliation."

"We hope this process will not only lead to an immediate cessation of hostilities in these provinces but will trigger a process that will end armed conflict in the entire country," Drilon said.

Drilon pointed out that the key role given to local executives and military commanders underscores the Aquino administration's "commitment to strengthen the democratic process through the involvement of the community."

The government has for 21 years been fighting the communist insurgents around the country?

Military Stops Offensive in Thirteen Provinces

HK0709054791 Quezon City Radyo ng Bayan in Tagalog 0400 GMT 7 Sep 91

[Text] The military has stopped its offensive against the communist rebels in 13 provinces to pave the way for peace negotiations. Brigadier General Emiliano Templo, deputy chief for Civil Military Operations of the Armed Forces, said that the military is ready to start the dialogue with the leaders of the Communist Party of the Philippines. Meanwhile, the communist rebels promised an immediate cease-fire to its 22-year-old insurgency if the Senate shows a clear trend to reject the agreement extending the stay of the U.S. bases in the country.

NPA Requests Cease-Fire in Northern Luzon

HK0909035391 Manila MANILA BULLETIN in English 9 Sep 91 p 8

[By RR]

[Text] The New People's Army (NPA) and its political arm, the National Democratic Front (NDF), in Northern Luzon asked yesterday the Armed Forces of the Philippines (AFP) to implement a one-week unilateral cease-fire in the Cordillera region to facilitate the release of seven policemen who are being held hostage by the dissidents.

In a statement, Noli Libertad, spokesman of the Lt. Crispin Tagamolila Command-Northern Luzon, said that the Northern Luzon Command (Nolcom) and the Philippine National Police-Cordillera Regional Command (PNP-Crecom) should cease all military operations in the Cordilleras to enable the families of the hostages and other humanitarian groups to negotiate with the NPA guerrillas for the release of the hostages.

Being held captive by the NPA rebels are SPOs [Special Police Officer, 2d class] Mario Garcia and Arsenio Quilalang; PO2s [Police Officer 2s class] Roger Gogyong, Rogelio Pambid, Dionisio Bagay, and Felipe Antonio; and PO3 [Police Officer 3d class] Virgilio Doctolero. They were captured during a raid in Mt. Province.

The rebels also said that they have three other policeman- captives in Kalinga-Apayao.

Meanwhile, the NPA-Northern Luzon Command also rejected an offer by the Aquino government for a peace talk aimed at ending the communist rebellion in the country.

Director-General Cesar P. Nazareno, chief of the Philippine National Police, said thta a special task force was activated to conduct periodic inspections of all gun club facilities and auditing of firearms, ammunition and other equipment registered in the name of such clubs.

Nazareno warned gun club members and armory custodians that police units are under strict instruction to confiscate all firearms carried outside of the gun club firing ranges without permits.

The PNP chief issued the directive because of reports of proliferation of club-owned, high-powered firearms which are being carried outside the firing ranges.

He had earlier issued a seven-point guideline that sets stricter grounds for revocation of firearm licenses and permits of persons found fiolating firearm control laws.

A directive sent to Senior Superintendent Antonio Sierra, firearms and explosives Office chief, also said hand guns larger than .45 caliber pistols, will no longer be issued to civilians.

17 Rebel Officers, Men 'Provisionally Freed'

HK0909114491 Hong Kong AFP in English 1109 GMT 9 Sep 91

[Text] Manila, Sept 9 (AFP)—The Philippine military Monday provisionally freed 17 Army officers and enlisted men implicated in various coup attempts, bringing to 46 the total number of those let out from military jails as a goodwill gesture.

Military officers said the 17 released Monday included lieutenants, adding that they were charged with mutiny for involvement in the failed December 1989 coup attempt and the 1990 rebel mutiny in the south.

The 17 were placed under the custody of their senior officers and would be reinstated into their various commands once the charges against them are dismissed. However, those convicted would have to serve their sentences.

The military last week earlier freed 29 detained lieutenants from the Army, national police and Air Force and Marines in the southern Philippines under the same provisions.

They are also awaiting the results of the legal action taken against them for alleged involvement in several coup attempts.

The release of the rebel soldiers was made as a concession by Armed Forces General Lisandro Abadia who is trying to forge a peace settlement with rightwing rebel leader Gregorio Honasan.

De Villa Views Peace, Reconcilation Program

HK0909052891 Manila MANILA BULLETIN in English 9 Sep pp 1, 21

[Text] The inclusion of an amnesty grant to all rebel faction members continues to emerge as the most vital proposal in the government's comprehensive peace and reconciliation program, which is now being rushed by the defense department.

This was revealed over the weekend by Defense Secretary Renato de Villa who said that the proposal may be acted on before the May 1992 presidential elections.

The comprehensive reconciliation program is apparently being "rushed" to be in place before the elections as an insurance of peaceful and orderly conduct of the polls.

De Villa said the proposed amnesty grant will cover cases against membrs of communist, rightist and Muslim rebels.

However, the defense chief said there are no "specific guidelines" set for the holding of negotiations with the insurgent groups but instead, the government will settle on a "case-to-case" basis.

"Our goal is to bring everybody together to have real peace to remove the climate of tension when election comes," De Villa said.

"If we can have a very peaceful election, then we can have a smooth transition and I hope the elections will bring out who the people really want," he added.

Local government unit officials are allowed to initiate peace negotiations with rebels of the Communist Party of the Philippines and New People's Army (CPP-NPA) as part of the reconciliation agenda.

The government, he explained, will just set the principles for the talks and allow the local level to initiatie peace.

"This way, the local level will have a lot of flexibilities," De Villa added.

The same procedure will apply to the Muslim secessionist movement, according to De Villa.

Earlier, AFP [Armed Forces of the Philippines] chief of staff Gen Lisandro Abadia was reported to have made a breakthrough in efforts to negotiate peace with rightist rebels led by renegade Lt Col Gregorio Honasan and Commodore Dominge Calajate.

Abadia said the two top leaders of the December, 1989 putsch talked with him on the phone but nothing substantial was taken up.

The AFP chief of staff said the release of some 29 lieutenants who participated in the coup was one initiative which may lead Honasan and Calajate to trust the government's sincerity.

According to Abadia, the grant of amnesty is also being studied but such move will have to pass congressional approval should the proposal be approved by the Aquino administration.

Orbos Warns of Economic Recession, Deterioration

HK0609002391 Quezon City MALAYA in English 5 Sep 91 p 2

[Text] Former Executive Secretary Oscar Orbos yesterday warned that a crippling recession has set in and the economic deteriotation could only worsen unless government drops its flawed economic policies.

The need to arrest the recession through corrective measures has been the tone of Orbos' speech before various groups in Northern Mindanao Tuesday.

"Newly-released economic statistics for the first semester of 1991 confirms our worst fears and validates what our people have been experiencing all along: the economy has now entered a recession. This is the third quarter of a critical slide in economic performance," Orbos said.

He traced the recession mainly to policies that strangulated spending, withheld investments and vital public expenditures, and the zealous but impractical efforts to adhere to the commitments to the International Monetary Fund.

Orbos called the present economic slide as the "Estanislao Recession" after Finance Secretary Jesus Estanislao, the chief architect of the government's economic policies.

The need to reverse gears, said Orbos, is made more urgent by the devastation of Mt. Pinatubo, which impact on the recession has not been factored in the dismal first semester report.

"Even now the government seems foolishly bent on meeting the IMF deficit target of P27 [Philippine pesos]-billion national government deficit for 1991. I suggest a serious reconsideration of the budgetary implications of the damage from Mt. Pinatubo," Orbos said.

He said the P7 billion in programmed expenditures which is now being withheld by the government should be released to partly help the Pinatubo victims.

The 7 billion is being withheld to pressure Congress into passing new tax laws, said Orbos.

U.S. Envoy, Drilon Sign Communications Compact

HK0509061591 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 4 Sep 91

[Text] A widespread communications system has been installed [as heard] in the country for the benefit of local governments. The project is called the Government Communications Network and was agreed upon by the Philippines and the United States. The agreement was signed by U.S. Ambassador Frank Wisner and Executive Secretary Franklin Drilon. The project, which is worth $475 million, will be funded by the International Development Cooperation Agency and includes electronic mail services, data banks, broadcast video and telephone services. Drilon said that with the project, even the ordinary citizen will have the opportunity to use the modern equipment. The executive secretary thanked Wisner for continuous concern shown by the United States in helping the Philippines develop further its communications system.

Export Processing Zones Fail To Draw Investors

HK0309082891 Quezon City MALAYA in English 3 Sep 91 p 9

[Text] The country's export processing zones have failed to attract investors despite the numerous incentives offered by the government, a report made by the Export Processing Zone Authority [EPZA] shows.

The EPZA economic performance report from 1990 to 1991 showed that during the first semester of this year only P [Philippine pesos] 290.14 million worth of investment have pushed through in all the four major export processing zones. The actual investments reflect only 15 percent of the total approved investments of P1.92 billion for the whole year.

The report shows that majority of the firms, specially the foreign companies with approved applications and which were granted incentives, have either withheld or cancelled their investment plans.

About 152 out of the total zone-registered 179 firms have started their operations. The figures show that most of those which have withheld their investments have huge investment projects which are capital-intensive.

The decline of foreign interest in the export processing zones was also observed last year. The EPZA report shows that total investments reached P803 million, which accounts for 33 percent of the P2.4 billion total cost of projects approved.

The expansion plans of existing firms during the first semester reached only P1.9 billion or 42 percent of the P4.17 billion cost of expansion projects approved.

EPZA officials which were interviewed by Malaya, however, refused to comment on the matter.

Sources at the Department of Trade and Industry [DTI] attributed the decline in investments in EPZA to the implementation of the controversial import levy which has been reduced from 9 to 5 percent.

Though the Department of Finance had earlier exempted the importation of capital equipment, DTI sources said that some of the foreign firms failed to secure a certificate of authority to import for the capital equipment to be exempted from the levy.

DTI sources also said the political instability brought by the uncertainty of the fate of the U.S. bases in the country also scared-off foreign investors.

WB Pressure To Increase Power Prices Resisted

HK0909072691 Quezon City MALAYA in English 9 Sep 91 p 11

[By Dinna Chan]

[Text] The government will not heed the pressure from the World Bank [WB] to allow the cash-strapped

National Power Corporation [NPC] to increase power rates by 17 centavos this year, NPC President Pablo Malixi said.

"It's a political decision which even the World Bank cannot change," Malixi told reporters after a multi-sectoral meeting held last Friday to resolve the issue of whether or not a 17-centavo power rate hike should be implemented this year.

Malixi was referring to an earlier statement made by President Corazon Aquino that there would definitely be no NPC power rate hike in 1991.

Central Bank Governor Jose Cuisia Jr. confirmed Malixi's statement that despite the burden to the national government brought about by the P [Philippine pesos] 7-billion subsidy to the power firm, no rate hike will take place in 1991 although the possibility of having one in 1992 is still being studied.

Earlier, World Bank official Gautam Kaji warned in a letter to Finance Secretary Jesus Estanislao that unless the NPC problem is resolved, "I would be forced to recommend to management that all pending loan disbursements to NPC be suspended."

The International Monetary Fund also delayed the first formal review of the country's economic performance under the economic stabilization program pending the drawing up of a medium- and long-term power investment program for the NPC, which would allow the company to recover without additional subsidy from the government.

This delay in the IMF review of the economic stabilization program from August to October also delayed the disbursement of the third tranche under the $916-million standby arrangement.

The third tranche under the standby credit facility amounts to roughly $49.2 million.

The NPC has proposed to the Department of Finance [DOF] that it be granted subsidy amounting to P1.5 billion which will be converted to equity in the power utilities firm.

So far, the DOF has failed to respond to the proposal.

The multi-sectoral group, which is composed of government officials and labor and business leaders, is set to meet again next week to start drawing up a comprehensive recovery package for NPC.

On the other hand, a team from the IMF and the World Bank is set to come to Manila on Sept. 23 to confer with government officials on the proposed NPC power investment program.

Senate Approves Bill for 30-Year Logging Ban

HK0309080291 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 2 Sep 91

[Text] The Senate has approved a 30-year ban on commercial logging in its third and final reading. Eighteen senators supported Senate Bill 1404 while only three were against it because the proposal allegedly will not resolve the worsening forest denudation. The bill was debated for over two years and has even ended in a personal rivalry between Senators Heherson Sonny Alvarez and Orlando Mercado. Under the approved law, any citizen is banned from cutting, pulling down, or destroying any kind of tree. Apart from this, commercial logging operation in any forest will be banned for 30 years after President Aquino signs this into law. The law states that legal companies can only cut down logs of up to 300 million cubic [as heard] for the needs of the country.

Investment Protection Pact Planned With ROK

HK0409062591 Manila PHILIPPINE DAILY INQUIRER in English 4 Sep 91 p 15

[Text] The Philippines and South Korea are working on a bilateral investment promotion and protection agreement to boost economic relations between the two countries.

Eloisa Atienza-Lim, chief of the Investment Promotions Center of the Department of Trade and Industry [DTI], said the agreement was proposed by the government as part of an overall effort to boost Korean investments in the Philippines.

Lim explained that the proposed agreement would provide the same basic rights and guarantees to foreign investments already provided for in the Omnibus Investments Code such as freedom from expropriation, right to repatriation of investments and remittance of earnings.

However, both countries have agreed to enter into such an agreement to establish "special relations" between them, Lim said.

The Philippines has already entered into a similar agreement with Germany and the United Kingdom.

"Since we already have this agreement (with those two countries), South Korea became interested in having this special arrangement," Lim said.

She added that negotiations between the two countries are already in the final stage and the agreement is expected to be signed late this year.

Lim said that some minor disagreements are curently being addressed. These included the selection of a court that will handle disputes that may arise between the two countries.

The Philippine panel led by Trade and Industry Undersecretary Lilia R. Bautista wanted the United Nations while South Korea preferred the International Court of Justice.

Lim said the Philippines is sending today a joint private sector-government investment mission to South Korea. The mission will present to Korean investors the newly enacted Foreign Investments Act and the features of eight world-class industrial estates in the country.

The mission will also invite the Koreans to invest in the development of new industrial estates.

This is part of an investment promotion swing which will be undertaken by the DTI in Korea, Japan, Taiwan and Hong Kong.

"We are starting with Korea because Korean investments already showed bright prospects for a dramatic improvement," Lim said.

Indonesia Warns Protest Plan May Ruin Relations

HK0409024191 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 3 Sep 91

[Text] The Indonesian Consulate has warned against a protest action planned by the families of the fishermen detained in Indonesia. This may ruin the relations between the two countries and affect the case of the 54 fishermen. The Indonesian patrol arrested the fishermen on 25 July who were accused of illegally entering Indonesian waters. Their employer, the DJL2 Magnet Corporation, has brought the fishermen's case to the Indonesian Consulate and other government agencies. The South Cotabato Parsenia Association has sought the help of the Republic of the Philippines-Indonesia Border Crossing Committee. The Indonesian panel has reportedly shown the committee no concern on the case. According to the (Southern Philippine Resource and Information Trust), a total of 57 Philippine fishermen are currently detained in Indonesia.

Thailand

Anan Comments on U.S. Bases Treaty Issue

BK1009070891 Bangkok Radio Thailand Network in Thai 0530 GMT 10 Sep 91

[Excerpts] At Government House this morning, Prime Minister Anan Panyarachun answered reporters' questions on various issues. [passage omitted]

On the U.S. bases treaty issue, asked if the Philippine Senate's rejection of extension of the treaty to allow the further presence of the U.S. military bases in the Philippines would have any impact on Thailand, the prime minister said that this is the matter between the United States and the Philippines, and that it has nothing to do with Thailand.

Official on Aviation Rights Talks With U.S.

BK0909112991 Bangkok Voice of Free Asia in Thai 1030 GMT 9 Sep 91

[Text] According to Mahidon Chantharangkun, the permanent secretary of the Communications Ministry, two months ago the U.S. Government inquired about a date for the next round of aviation rights negotiations with Thailand. Mahidon noted that the Thai Government has not proposed a date, and one will be set only after the Thai committee under his chairmanship has met. He said Thai-U.S. negotiations do not have to take place in October, despite the fact that permission for U.S. flights to Thailand, in accordance with the previous agreement, will end in that month. Mahidon said there will be no impact on the U.S. flights even if there are no negotiations in October because Thailand can grant the same rights to the United States as in the previous flying season, providing that the United States informs Thailand of flight plans, but Thailand reserves the right to determine the number of flights.

Mahidon said he thinks a conclusion should be reachable after two negotiations with the United States. In past negotiations, the United States agreed to limit the capacity and frequency in advance, waiving the open sky principle. In the next negotiation stage the United States wants to set a formula for increasing the number of flights. The Thai side has not considered this matter because the Thai Government has never entered into any agreement on such a formula with any country. U.S. airlines currently fly 37 flights to Thailand, while Thai Airlines flies seven flights to the United States.

Mahidon said the next round of negotiations will be held in Washington. Rungrot Siprasoetsuk, the deputy permanent secretary of the Communications Ministry, will head the Thai delegation. He expects Thailand's negotiation position to remain unchanged.

Army Chief Leaves for Official Tour Abroad

BK0909142691 Bangkok Army Television Channel 5 in Thai 1230 GMT 9 Sep 91

[Excerpt] General Suchinda Khraprayun, army commander in chief and vice chairman of the National Peacekeeping Council [NPKC], has left for an official tour abroad. Before the departure, he told newsmen that he had no worries about the situation in the country during his absence for more than 10 days. He said that the people will be in charge. Concerning opposition or criticism by students, academics, and politicians, Gen. Suchinda said those who do not approve of the work of the NPKC are entitled to make their comments heard, but whether they are right or wrong the people will be the judge.

[Begin Suchinda recording in progress] ... Let them reproach us if something is wrong. But they must not condemn us on things that are approved by the general public and the mass media. They should have reasons. They will naturally lose the people's support if their move is not guided by good reasons. It all depends on what is right and what is wrong. There is no problem about their criticism. [end recording] [passage omitted]

Border Police Sent To Repel Burmese Troops

BK1009013391 Bangkok BANGKOK POST in English 10 Sep 91 p 1

[Text] Mae Hong Son—Border Patrol Police [BPP] have been deployed in areas bordering Burma to push back 200 Rangoon soldiers who intruded one kilometre into Thai territory on Sunday afternoon.

The intruders crossed the Salwin River and set up a checkpoint at Ban Cho Tha in Mae Sariang District after Kya rebel troops opened fire with grenade-launchers and RPGs [rocket propelled grenades], sinking three longtail boats carrying Burmese Government soldiers and sick villagers at Ban Tako Tha next to Mae Hong Son.

The boats were taking the sick to a field hospital at Bang Pa Cham inside Burma. All those on board are believed to have drowned.

By Sunday evening, Burmese troops were fighting combined forces of the Kya and Karen National Union (KNU) in area of Ban Tako Tha.

One KNU rebel was reported killed and three wounded.

Gunfire erupted again yesterday around 5 a.m. when Rangoon troops attacked a Kya outpost with mortars from their base on Doi Pa Tang.

Kya and KNU casualties were put at four killed and 27 wounded. No reports of government casualties were available.

The Third Army Region, reacting to the clashes, sent the BPP 337 unit to Ban Cho Tha where Burmese soldiers were holding their position to launch a counter-attack on Kya troops.

The BPP unit was expected to reach the area late yesterday afternoon.

Police To Launch Crackdown on Cambodian 'Bandits'

BK0709020791 Bangkok THE NATION in English 7 Sep 91 p A2

[Text] The Police Department will launch a major crackdown on Cambodian bandits, many of them believed to be members of Cambodian resistance forces, police chief Sawat Amonwiwat said.

Police Director General Sawat said yesterday he had instructed the Crime Suppression Division, Provincial Police Bureaux 1 and 2, and the Special Branch Division to coordinate the operation against the bandits.

"This is aimed at suppressing the frequent outbreaks of banditry and to get at the masterminds of the crimes," Gen Sawat said.

The Cambodian bandits, usually armed with war weapons, have preyed on Thai villagers living along the border, with an increasing number of robberies being reported over the past several months.

The police chief said the bandit attacks along the border area could be attributed to a shortage of food among the Cambodian population since a ceasefire among the warring Cambodian factions went into effect recently.

Most governments known to be supporters of the guerrillas suspended military and logistic supplies to the resistance forces after the ceasefire.

Some of the bandits are known to be living in Cambodian refugee camps controlled by the resistance forces.

Black market activities and the availability of war weapons along the border are also blamed for increasing crime rates.

According to a Police Department spokesman, the police chief also instructed police units in the border areas to seek cooperation from military units in exchange for intelligence and information to enable law enforcement officials to take prompt action against the bandits.

The spokesman said Sawat also ordered Immigration Division police to be on alert to prevent Cambodians from illegally entering Thailand through two border checkpoints in Trat's Klong Yai district and in Prachin Buri's Aranyaprathet district.

Many Cambodians have slipped through the checkpoints and illegally sought employment in Thailand.

Malaysian Intentions in Spratlys Viewed

BK0609020391 Bangkok THE NATION in English 6 Sep 91 p A18

[Editorial: "Is Malaysia Escalating the Spratly's Conflict?"]

[Text] Asia's next flashpoint could be over the Spratlys, a scattering of tiny, unpopulated islands in the South China Sea to which China, Vietnam, Taiwan, the Philippines, Brunei, and Malaysia all lay claim. In early March 1988 there was an armed confrontation between Chinese and Vietnamese troops in the Spratlys in a naval battle that sank two Vietnamese freighters and left scores dead. China then occupied seven of the Islands and Vietnam held 21.

At a July workshop on the Spratlys in Bandung, Indonesia, it was agreed that all claimants have got more to gain in looking for solutions whereby the conflict can be managed. It was a Malaysian participant who proposed this, before it was agreed upon by all the parties.

On Monday, however, the conflict flared up again, when, ironically, Malaysian Defence Minister Najib Tun Razak announced that Kuala Lumpur would build an airstrip on an atoll in the Spratlys to "speed up its development". The Malaysian minister said the runway on Terumbu Layang-Layang will be able to handle small military and light aircraft and would boost security arrangements on the atoll besides promoting tourism and bringing "other benefits". He said other plans include the installation of military equipment to detect air attacks, apart from building infrastructure and tourist facilities.

Malaysian navy commandos occupied Layang-Layang in 1983 and two other nearby atolls, Terumbu Ubi and Terumbu Matananni in 1986. Defence Minister Najib said Malaysia's military presence was necessary to reinforce the country's claim to the islands and added that Kuala Lumpur had spent more than M [Malaysian]$70 million (Bt [baht]686 million) on developing the three atolls since 1983.

The 1988 clash between China and Vietnam over the Spratlys sounded the alarm bells again in the region. It was a scenario that could have widened into more than a local conflict, as happened in late December 1978 when Vietnam invaded Cambodia and ousted the Chinese-backed Khmer Rouge from power. From then on a proxy-war in Cambodia has been fought with warring factions being clients of either China, Vietnam, the Soviet Union, or the United States. With the 12-year-old Cambodian conflict coming to an end with the rapprochement between China and Vietnam, Asean can now breathe easily. Both China and Vietnam have made it clear that once the Cambodian conflict is settled, the issue of the Spratlys would be discussed between the two countries and other claimants in order to find a solution or reach a compromise.

But what are Malaysia's intentions now, in the post-Cold War era, in trying to brew up a storm over the Spratlys? The region has seen enough wars fought over various interpretations of threats that had often persuaded small states to intensify their military spending. Regional conflicts were responsible for most of the 127 wars fought mainly in the Third World since 1945 which killed some 22 million men, women and children.

Asean clearly doesn't need another one to be fought over a group of 230 islands, banks, reefs, shoals and cays in the South China Sea. Malaysia has been a strong advocate for a Zone of Peace, Freedom and Neutrality in the region, but its recent military activities on the three atolls in the Spratlys group leaves much to be desired. Putting it bluntly, the building of an airstrip on Terumbu Layang-Layang atoll is tantamount to sheer military provocation.

While the islands are little more than sand bars and reefs, the main reason for the conflicting claims lies below the surface. The Spratlys are rich in undersea oil and gas. Within the sea area of 310,000 square kilometres around James Shoal adjacent to Malaysia are oil and gas reserves estimated at between 13-17 billion tonnes. Extractable oil and gas are estimated to be between 2-4 billion tonnes and some oil analysts even assert that the Spratlys could become a "second Persian Gulf."

Malaysia's intentions in the Spratlys could be explained in terms of its dwindling oil reserves and domestic pressure to find new reserves. To reinforce its presence in the Spratlys, the Malaysian government quadrupled its defence spending to US$2.16 billion in its new five-year economic plan. Kuala Lumpur has acquired Exocets for two of its four frigates and eight of its patrol craft. The Malaysian Government has also announced an order for two missile-armed corvettes from Britain to beef up its offshore defences in areas like the Spratlys.

The dispute in the Spratlys involve sovereighty and maritime rights and interests, which are closely interrelated. What is preferred among arbitrators is for the problem of sovereignty to be solved first before negotiating a settlement of maritime rights and interests. The expedient scenario would see measures and arrangements for a certain period of time being worked out for the multilateral and common exploration and sharing of natural and fishery resources among the parties concerned without involving the problem of sovereignty, while maintaining the status quo with no stationing of troops by any side.

Malaysia has to allow an opportunity for the Spratlys dispute to be settled. Right now it is not in the interests of Asean to allow the issue to flare-up, and Kuala Lumpur certainly has no right and nothing to gain by escalating the conflict further.

Paper Examines Suchinda Lawsuit, Illegal Logging

BK0709022391 Bangkok THE NATION in English 7 Sep 91 p A8

[Editorial: "Learning From Burma"]

[Text] The extreme sensitivity of Army Commander-in-Chief Suchinda Khraprayun over the critical statements of social critic Sunak Siwaraksa provides much food for thought in these strange days.

During a week in which unarmed villagers were brutalized by police and soldiers, and a Buddhist monk was subsequently arrested for uncovering illegal logging, the rabid reactions to Sunak's comments should not come as much of a surprise.

Suchinda was offended by accusations that he had gone to Burma to arrange logging contracts for Thai companies, which Sunak denies having made.

Sunak insists he said that New Aspiration Party leader Gen Chawalit Yongchaiyut sought out the timber deals from our Western neighbour—a move that has hastened the complete devastation of forests along the Thai-Burmese border.

The army commander was also upset by the charge that he had "learned lessons from Burma" on how to carry out "illegitimate" coups. Under the circumstances, Sunak's analogy is in fact rather timely.

Pra Prachak Kutajitto, abbot of Wat Hua Nam Phut in Pakham District of Buriram Province, was arrested for the second time in five months Thursday afternoon for "inciting unrest".

The trial for the first case against the abbot on charges of illegal forest encroachment is still underway.

Thursday's arrest followed an incident of state brutality against Pakham villagers—members of a small conservation group that is attempting to protect the 20,000 rai Dong Yai Forest—which appears to be unprecedented in recent years.

Several hundred people were on their way to a nearby community where the military land resettlement project (khor jor kor) had destroyed tapioca crops to prepare the land for redistribution. Fearing the consequences of villagers seeing the scene of devastation, police and soldiers evidently tried to prevent them from continuing along the road, and violence broke out.

But the crime of the villagers and their monk leader was more serious than this—they dared to confront state power and expose it.

Suspecting that police, military authorities and forestry officials are involved in timber-cutting in the Dong Yai Forest, the villagers have resorted to surveying the forest themselves.

Last month they apprehended illegal loggers on two separate occasions, some of whom admitted they were working for state officials.

However, these loggers were not arrested. Pra Prachak was arrested instead.

And judging by reactions to Sunak Siwaraksa's statements, exposing state corruption cannot be dismissed lightly at either the local or national levels. Sunak is facing lese majeste charges and possible legal action.

Meanwhile, Agriculture Minister Dr Anat Aphaphirom has announced that he will be off to Burma in the mindle of next month to renew logging contracts.

The trip was originally scheduled for August, but the Foreign Ministry warned against this "timing" for fear of provoking international criticism over Burma's appalling human rights record. Perhaps the ministry is hoping that with all attention turned to the October World Bank/International Monetary Fund meeting in Bangkok, no-one will notice Anat slipping across the border.

Anat has assured the press that the two countries have forged friendly relations. Indeed, with harassment of monks, violence against innocent villagers and suppression of criticism against the government, Thailand seems to be learning from Burma—about more than simply how to stage coups.

Issues Related to Electoral System Discussed

Air Force Leader Cited

BK0609021191 Bangkok BANGKOK POST in English 6 Sep 91 p 1

[Text] Air Force commander ACM [Air Chief Marshal] Kaset Rotchananin reaffirmed yesterday that he favours the party-slate electoral system in which an eligible voter can cast one vote for candidates of one political party in each constituency.

The National Peace-Keeping Council [NPKC] vice chairman said a constituency should have a maximum of five or seven MPs, depending on how National Legislative Assembly [NLA] members will choose during the scrutiny of the draft Constitution.

He denied his opinion on the electoral system reflects that of Samakkhi Tham Party.

"I know only that this party supports the NPKC," said ACM Kaset.

He also denied reports that Chat Thai Party advisory chairman Pol Gen [Police General] Praman Adireksan had approached him to take leadership of the Chat Thai Party.

The Air Force chief, who is a member of the NLA, said most of the NLA members are not happy with Chapter 6 of the draft Constitution which seeks to form a powerful Constitution Committee.

He said the committee would be like the fourth power in addition to the existing administrative, legislative and judicial powers.

"However, if the chapter on the Constitution Committee is scrapped, we would have to find another way of appointing senators," he said.

ACM Kaset reaffirmed he favoured the party-slate electoral system, but said whether this would be written in the new Constitution depends on NLA members.

Asked whether the prime minister should come from election, ACM Kaset said this is not necessary. Whoever is capable can assume this position, he added.

Asked whether he would accept the prime minister post if offered in case there are no other persons suitable, ACM said: "If invited, I would take the position."

ACM Kaset had said before that he was ready to assume premiership if invited.

Party Leader's Remarks Noted

BK0809012891 Bangkok BANGKOK POST in English 8 Sep 91 pp 1, 3

[Text] Prime Minister Anan Panyarachun could appoint Senators if the proposed Constitution Committee is dropped from the draft Constitution, Democrat Party Secretary-General Sanan Kachornprasat suggested yesterday.

His suggestion comes amid growing concern among political parties that the imminent scrapping of the committee may give the National Peace-Keeping Council [NPKC] an excuse to appoint senators.

Maj-Gen Sanan said Mr Anan would be able to maintain his neutrality and be a better choice than the NPKC to do the selecting. Although the best method to appoint senators is to let the post-election government handle the job, it is unlikely the NPKC will allow this, he said.

If the NPKC assumes power to appoint senators its move will go against public feelings and have a far-reaching impact on Thailand's political development, Maj-Gen Sanan said.

He hopes the NPKC will not embark on such a plan because it would mean military leaders want to hold on to power.

The power of appointing senators should not be left to any person or group who are not neutral, he said, adding the NPKC must listen to political parties and seriously consider their proposals on the new constitution.

Key parties including New Aspiration [NAP], Solidarity and Phalangtham have submitted a joint proposal to the Constitution scrutiny committee calling for the scrapping of the committee and for power to appoint senators to be handed to the premier.

However, the Democrats warned that scrapping the committee would enable the NPKC to maintain its influence in parliament by appointing the senators. The committee should be kept but its overwhelming powers be limited to monitoring the election and selecting the senators.

In a direct swipe at the NPKC, the NAP secretary-general earlier said that because the scrapping of the committee is imminent, the NPKC should take over Senate selection. The NPKC has overwhelming powers and it should not hesitate to do what it wants.

Meanwhile, a Democrat executive committee member said yesterday that Army Chief Gen Suchinda Khraphrayun has an edge over New Aspiration Party leader Gen Chawalit Yongchaiyut in politics and has a better chance of becoming the next prime minister.

Former Nakhon Si Thammarat MP Samphan Thongsamak said the two men are competitors rather than allies.

Although Gen Chawalit has more political assets than Gen Suchinda his political organisation is stil not as good as it should be, so many people cannot accept it, he said.

One of Gen Chawalit's disadvantages is that his political advisers are still not accepted by the public. Gen Chawalit's strong ambition to become the next prime minister is also a weak point, Mr Samphan said.

Howver, Gen Suchinda, through unclear statements during a recent speech to the Reporter's Association, also lost credit. Political leader must put their position clearly, not make a joke out of it or people wil lose confidence in them.

Mr Samphan believes the party-slate electoral system will be adopted for the next general election because the Samakkhi Tham Party is actively pushing for it.

Besides, those making the move have close associations with Air Force Chief ACM [Air Chief Marshal] Kaset Rotchananin, a deputy chairman of the National Peace-Keeping Council, who also favours this system.

"When the boss says soemthing like that, then members of the National Legislative Assembly, who were appointed by the NPKC, will follow his directions and make changes in line with those wishes, Mr Samphan said.

Under the party-slate system, Samakkhi Tham will have an advantage over the NAP. If the system is adopted, many leading politicians will switch from the NAP to Samakkhi Tham.

Mr Samphan predicted that in the coming election Samakkhi Tham will prevail in the North while the Democrats will be strong competition in the Northeast among the NAP, Samakkhi Tham, the Democrats and the Chat Thai Party.

In Bangkok, competition will be among the Democrats, the Phalang Tham Party and the Prachkon Thai Party, he said, adding that in the Central Plains the Chat Thai party will be favoured.

With the premier not having to be an elected MP, Gen Suchinda, ACM Kaset and the incumbent, Anan Panyarachun, will be top candidates for the post, Mr Samphan predicted.

Of the three, Mr Anan should be most favoured because he is capable, impartial, acceptable to the international community and his performance record has no blemishes.

Asked about the Senate having more power to nominate the premier, Mr Samphan said this would be destructive for democracy. This method was used once by former Prime Minister Gen Kriangsak Chamanan but failed.

The stability of the Government depends on support from MPs rather than senators, Mr Samphan said, warning that those who do not get public approval will have trouble gaining acceptance.

The Democrats prefer individual candidates with more constituencies than under a party slate system because this is more suitable in the present political situation where the party system is still not strong, he said.

Need for Direct Election Seen

BK0809012091 Bangkok THE NATION in English 8 Sep 91 p B3

[Editorial: "Senators Should Be Directly Elected"]

[Text] Soon after the draft constitution passed its first reading in the National Assembly last month, the National Peacekeeping Council [NPKC] started spreading the word about which parts of the draft it wanted to change. Columnists known to have close connection with key military leaders on the NPKC have identified at least three changes: abolishing Section 6 on the Constitution Committee, introducing group candidacy in general elections, and dropping Section 11 concerning the Parliament's ombudsman.

On Thursday, Air Force Commander ACM [Air Chief Marshal] Kaset Rotchananin—who was one of the prime-movers in the Feb 23 coup—declared that his "staff" would seek these three changes, and perhaps more, either through lobbying the scrutinizing committee, or during the second reading of the revised draft in the National Assembly.

Dropping the ombudsman seems to be least objectionable. There is no point in having an ombudsman who has no power other than to make an annual report on government agencies and state enterprises that refuse to cooperate in his investigating into alleged wrongdoing and abuse of power. The ombudsman will likely end up being nothing more than an overly-glorified mailman, receiving complaints from the public and delivering them to ministers and bureaucrats who are under little pressure to take any action. What we need is someone to supervise the MPs and senators and that is what the ombudsman should do. Leave the complaints of wrongdoing and abuse of power to the police and the Counter Corruption Commission Office.

Introducing group candidacy has its pros and cons. Many veteran politicians in smaller parties oppose it because their re-election chances would be slim when running agianst major parties, especially the two new parties with strong military support, the New Aspiration and the Samakkhitham (Justice Unity). Proponents say, however, that group candidacy would enhance the political party system and reduce the number of parties to a more manageable level. Group candidacy enables newcomers to enter the House of Representatives by riding on the coat-tails of senior, popular politicans. But voters have to select a whole group of candidates of one party, instead of picking only the most appealing candidates from various parties to fill the House seats in their constituencies. The Samakkhitham has actively recruited former MPs of other parties and openly called for the introduction of group candidacy.

Striking off the entire section on the Constitution Committee will have the most political ramifications. The Committee's key role is in selecting 1,350 candidates for election to the Senate; the draft constitution wants these 1,350 candidates to elect 270 senators from their own number in order to by pass political interference. Without the Committee, the selection of senators will most likely be done in the usual way—by the prime minister and leaders of government parties with some intervention by military leaders.

The Democrat Party has come out to oppose the move to drop the Committee for fear that the selection of all the members of the first Senate will fall in the hands of the NPKC. In this case most of the senators will certainly come from the NPKC-appointed National Assembly where more than half of the members are either military officers or recent military retirees.

Even with the Committee in place, the NPKC would still have a big say in the appointment of senators. Under the draft constitution, the Judicial Commission, the National Assembly (playing the role of the House of Representatives), the NPKC (representing the Senate), and the Cabinet will each hand-pick two members of the Committee. The eight members will then jointly select a ninth who is to serve as the committee chairman. In effect the NPKC—because of its firm control of the National Assembly—will have four votes on the Committee, which is enough to veto the selection of anyone whom the NPKC doesn't want to see head this crucial body.

The fact that the committee members appointed by both the National Assembly and the NPKC will have only a one-year term (while the full term of the others is five years) means little in practice because the NPKC's men on the Committee would have already played their parts in selecting senate candidates and supervising the next general election during their one year in office. Moreover, they are not disqualified from being appointed to return to the Committee by the new House of Representatives and the Senate.

If the Committee is dropped, then a new way of selecting senators must be introduced. The most desirable is direct election on a provincial basis. Let each of the provinces in this country elect one or two senators. Races for the Senate posts should be opened to independents who don't belong to parties. This would prepare people for the direct election of provincial governors.

The qualifications of senators should be specially designed to exclude opportunists and roving politicians who have no actual ties to the provinces they seek to represent. Under the normal appointment system, and to a slightly lesser degree the system proposed in the draft constitution, most of the senators would come from the Bangkok elites who represent the military, the bureaucracy and big business, in that order. But with senators directly elected by the provinces, all of Thailand would be adequately represented in the Senate.

Under the draft constitution, the appointed senators can question the Cabinet but cannot join the opposition MPs in voting out ministers. Yet many politicians say this is improper because the senators would in practice have the power to question elected politicians serving on the Cabinet. The power also would enable military officers and bureaucrats sitting in the Senate to hold their superiors accountable for personal grievances.

If the senators are directly elected, there would be no such embarrassment. The senators could even be given more powers to take an active part in legislative affairs and in checking the executive branch as a counterbalance to the House of Representatives, which will continue to be dominated by the government parties.

Party-Slate System Reviewed

BK0809015091 Bangkok THE NATION in English 8 Sep 91 p 4

["Weekend Analysis" by Banyat Thasaniyawet]

[Text] Army Chief Gen Suchinda Khraphrayun appears to have raised another puzzle for political pundits and analysts by saying the military prefers the next prime minister and defence minister to be civilians.

During dinner speech organised by the Reporters' Association of Thailand last week, Gen Suchinda said the military is more likely to obtain approval of requests from a civilian than a military man.

"At this time, what the Army is concerned about is a prime minister who is a military man who knows everything (about the Army) and asking for anything is difficult," he said.

Although Gen Suchinda made the comment in his usual casual, if not jocular style, it reflects his inner thoughts. The comment also prompts the question: Which military man is Gen Suchinda or the military referring to?

The comment comes at a time when all political parties are gearing up to obtain maximum political advantage and mileage in the debate over the crucial election system: whether the Constitution should retain the single-constituency or party slate system.

The newly-formed Samakkhitham Party has made it clear that it backs the party slate system and has said that it will support Gen Suchinda as prime minister if it becomes the core party to form the next coalition government.

On the other hand, former Army chief Gen Chawalit Yongchaiyut's New Aspiration Party (NAP) has made it clear that it backs the current electoral system and hopes to gain as many as 181 seats in Parliament so that its leader can become prime minister.

One thing appears certain: the military man the Army does not want to see as prime minister is someone other than Gen Suchinda.

Asked if he would accept the top government post, if urged to do so by various parties and the top leadership of the National Peace-Keeping Council, and why he would accept such a position, Gen Suchinda said:

"No one can force me. The decision has to be my own. It is up to the circumstances."

He also noted that he took only two hours to decide to seize power from former Prime Minister Chatchai Chunhawan on February 23.

Gen Suchinda's comment differs considerably from previous responses to this question.

In the past, he usually responded by saying he did not want to become involved in politics, a comment which was viewed as amounting to closing the door on Gen Suchinda entering the political arena.

But his statement last week indicates he is leaving his options open and will make his decision, again at the last minute, depending on the circumstances.

Political analysts now believe, taking this into account, that the likelihood of Gen Suchinda agreeing to become prime minister is more than 50 per cent.

But they are quick to add a situation could arise that could make him decide against becoming prime minister.

One key development would be the failure of Samakkhitham to secure enough seats in Parliament and become the core party to attract others to join it in a coalition, especially the Chat Thai Party.

Another could be continued critism of the NPKC and the belief that is hanging on to power.

Had Gen Suchinda and the NPKC decided to relinquish control after cleaning up the wrongs and irregularities of the past, the military top brass would have gained considerable praise from the public.

The fact that they have decided to hang on has resulted in criticism increasing day by day.

Although Gen Suchinda did not mention any names when he said the military did not want a military man as prime minister, political analysts agree all eyes focussed on NAP leader Gen Chawalit.

Gen Suchinda said he had been asked by many businessmen whether or not he would enter politics because, if he decides to do so, they would support him. The Army chief said he told these people not to support him but the "other party," an apparent reference to the NAP.

But such coments do not mean the military will support the NAP.

One further indicator of strained ties is the fact that of late NAP secretary-general Sqn Ldr [Squadron leader] Prasong Sunsiri has become increasingly critical of the NPKC in his NAEW NA newspaper columns. So much so that the paper and its reporters have been banned from the airport.

Another development is the decision by former Third Army region commander Lt-Gen Siri Thiwaphan to resign from the Army after he was transferred to an inactive post in the Supreme Command and joined the NAP.

It is clear the NAP and the Army are on opposite sides of the fence and that two "brothers," both former graduates of the Chulachomklao Royal Military Academy, are now neck and neck on the same path competing for the country's top political post.

Article Summarizes Five-Year Seventh Plan

BK0909020391 Bangkok BANGKOK POST in English 9 Sep 91 p 18, 28

[BUSINESS POST summary of cabinet-endorsed five-year Seventh Plan, by the National Economic and Social Development Board, to be launched 1 October]

[Text] Main objective of the Seventh Plan.

Following revision of the results of the Sixth Plan, three main objectives were set for the Seventh Plan: to sustain economic expansion with stability; to distribute income and prosperity to the regions; and to develop human resources, quality of life, natural resources and environment.

In order to ensure the achievement of the major objectives, equal importance must be given to each objective and the following opportunities and constraints also must be taken into consideration.

—Opportunities:

1. Thailand still has a good opportunity to continue to expand exports to the EC and free-trade areas of the US, Canada and Mexico. Good prospects for economic growth in Asia and the Pacific, as well as the market liberalisation policies of Japan and newly-industrialised countries in Asia and the market expansion in the Middle East, South America and Indochina, would continue to support Thailand's exports.

Thailand, during the course of the Sixth Plan, had given much emphasis on promoting export-oriented industries, which were expected to continue to bring in more foreign-exchange earnings during the next five years.

2. Thailand still had good opportunities to expand its industrial base in export-oriented and import-substitution areas, particularly those involving petrochemical, engineering, electronics and other basic industries. This was possible because there was a good trend showing Japan and other Asian newly-industrialised countries would continue to relocate their plants because Asia and the Pacific region would become the world's new economic centre with very high purchasing power.

3. The opportunity had arisen for Thai investment in and exports to Indochina and Burma, where normalisation of trade and political relations with these countries had become a reality.

Thailand could become a front-line state for these countries where international trade was concerned.

4. Thailand aimed to become Southeast Asia's regional centre for finance, trade and tourism.

Several moves, including liberalisation of the country's foreign-exchange controls, banking and trade, would help promote investment in Thailand and bring its financial system to a level in line with the international system.

5. There also was an opportunity to expand domestic demand and purchasing power for goods and services during the next five years. This would help stimulate economic growth on a continuous basis during the period.

6. An opportunity to increase production efficiency was foreseen following huge investment in improving the production structure in the agricultural, industrial, and service sectors. New technology application would be made in several industrial sectors, including agriculture, electronics, food processing, telecommunications and banking and finance. With good planning, the household industry also would be promoted.

7. Thailand's labour force had gained better basic quality as a result of educational development during the Sixth Plan. Thai people had the highest literacy rate in the region and this could lead to even further improvement of skill.

8. As the economy was expected to sustain continuous high growth in the next five years, the Government would have a better opportunity to mobilise funds to rehabilitate natural resources and the environment.

—Constraints:

1. Thailand's comparative advantage on labour and human resources in terms of quality, quantity and wages had been on the decline. It was true Thai labour had gained better basic quality, but on the other hand there was a wide shortage of skilled labour, technicians and engineers.

Thailand has an excess of unskilled labour which was not in accordance with the demand for skilled labour during the development process over the next five years.

The wage difference between skilled and unskilled labour would widen and may hamper efforts to solve the income disparity.

2. Land would become scarce and prices would increase as a result of past expansion and speculation and this would reduce the country's international competitiveness.

3. Thailand's investment/savings gap would be high as public savings would not increase sufficiently to cope with the demand for funds to finance investment. The gap was expected to remain in the region of 5-6 percent of gross domestic product (GDP) during the Seventh Plan.

4. Basic infrastructure would continue to be insufficient during the next three years as the effort to privatise state enterprises had not met with success so far.

5. Deterioration of natural resources and the environment was expected as a result of past development and would be a major constraint in the Seventh Plan. This had created more landless people and made it extremely difficult for planners to solve chronic poverty.

Past development had forced rural people to migrate to urban and city areas where water, noise and air pollution had become acute, affecting quality of life.

6. Government administration, laws and regulations were obsolete.

7. The death and sickness rates caused by new diseases had been on the increase as a result of the transition from rural life to city life.

8. There would be a deterioration in the spirit of family life and it would be the duty of the Government to provide welfare to the less fortunate.

Thai people had a family tradition with the head of the family taking care of its members.

But these days, the head of the family had to leave home to work elsewhere while the mother also had to find work. This would affect the family bond and spirit and cause the family unit to become less stable.

It was expected this would lead to higher social problems in the future and this needed urgent attention from the Government.

9. Uncertainties in the world economic situation as a result of higher protectionism and increasing oil prices could have a negative effect on the country.

Major Target of the Development.

—The overall economic growth target would be an average of 8.2 per cent a year.
—Per-capita income would rise 7 per cent a year from 41,000 baht in 1991 to 71,000 baht in 1996.
—Agriculture would expand no less than 3.4 per cent per annum.
—Industry would expand 9.5 per cent annum.
—Exports would increase 14.7 per cent per annum in value or 9 per cent in volume.
—Commercial production of energy was targeted to increase 8 per cent per annum from 280 billion barrels per day of crude in 1990 to 410 billion barrels per day in 1996.
—Electricity production would increase by 5,000 megawatts to 14,500 megawatts in 1996.
—Telephones would be increased from 3.6 units per 100 people to 10 units in 1996.
—Inflation would not be over 5.6 per cent per annum.
—The trade deficit would not be over 9.4 per cent of GDP.
—The current-account deficit would be brought down to 2.5 per cent of GDP by 1996.
—Public savings would be 23 per cent of GDP in 1996.
—Energy imports would be maintained to be within 60 per cent in 1996.
—The percentage of the population under subsistence level would be decreased from 23.7 per cent of total population in 1988 to below 20 per cent in 1996.
—Income disparity would decrease.
—The birth rate would decrease to 1.2 per cent so that the country's population totalled 61 million in 1996.
—Mandatory education would be increased from six years to nine years.
—Employment would be increased by 2.8 million people to 34.85 million people in 1996.
—The death rate would be decreased from 29 people per 1,000 to 23 people per 1,000 in 1996.
—Public health would be developed.
—The forest reserve area would be maintained at within 25 per cent of the country's total area.
—Ownership of land would be expedited by reforming 30 million rai of land within seven years.
—The issue of land title deeds would be expedited.
—Coral reefs would be preserved.
—Water pollution in the Chao Phraya River, Tha Chin River and major beach resorts would be decreased.
—Toxic-waste treatment capacity would be increased from 60,000 tons per year to 400,000 tons per year in 1996.
—Noise levels in community areas would be reduced to within 85 dba [decibels, adjusted].
—Lead from benzine would be decreased from 1,030 tons in 1990 to 300 tons in 1996.
—Carbon monoxide from engine combustion would be lowered from 950 billion tons in 1990 to 750 tons in 1996.
—Sulphur dioxide gas from diesel, coal use in industrial plants and coal use for electricity generation would be lowered to 50, 190 and 620 billion tons, respectively, in 1996.

Measures and guidelines of the Seventh Plan:

The measures and guidelines had been made with the aim of creating balance in national development.

Concerning sustainable economic growth at an average of 8.2 per cent with stability, the plan would equally emphasise development of agriculture, industry and services.

Regarding agricultural development, in particular, both primitive agriculture and modern agricultural businesses would be underlined, as during the Seventh Plan period the private sector would be urged to be the core in the development of modern agriculture, industry and services, with the public sector only a supporter and supervisor.

Meanwhile, the Seventh Plan would implement more liberalised policies in terms of monetary, fiscal and capital-market development to ensure competitive opportunities for Thailand's investment and trade in the world market.

Thailand aimed to become the regional centre for finance, trade and tourism in Southeast Asia. Infrastructure investment would be accelerated to ensure sufficient quantity and quality, and the development and application of appropriate science and technology would specially be underlined.

Regarding environmental development, attention would be given to pollution control and several incentives for alleviation of water, air and noise pollution and industrial waste.

As for natural resource conservation, the public would be encouraged to participate with the government in this regard, and conflicts over future use of natural resources would be eliminated. Monetary and fiscal measures would be imposed for natural resource administration.

Vietnam

U.S. Senator Kerry Interview on MIAs, Embargo

BK1009071591 Hanoi Voice of Vietnam Network in Vietnamese 0015 GMT 10 Sep 91

[Interview with U.S. Senator John Kerry, member of the U.S. Senate Foreign Relations Committee, by correspondent Kim Ngoc during Kerry's recent visit to Vietnam; precise date, place not given—read by announcer]

[Text] [Correspondent] Sir, how do you view Vietnam's cooperation with the United States in solving the humanitarian issue, namely the issue of Americans missing in action?

[Kerry] I am very happy because Vietnam regards this as a humanitarian issue. I see the cooperation given by the Vietnamese side as increasingly positive. Vietnam's performance in this respect over the past few months has been wonderful. I think that the Vietnamese Government is making important and bold steps toward spurring and ensuring the establishment of ties between us. Americans have become more and more aware of the Vietnamese Government's cooperation in solving the MIA issue. This will benefit efforts to improve relations between the two countries.

[Correspondent] The Vietnamese Government continues to cooperate with the United States in the American MIA issue at a time when there are as many as 300 Vietnamese MIAs still unaccounted for. Nevertheless, there are still incorrect views among the U.S. public over this fact. Do you have any opinion on this matter?

[Kerry] The American people understand all the losses suffered by both sides during the Vietnam war. However, our government cannot take any direct action in the search for the Vietnamese MIAs because the war took place in Vietnam. We, however, hope that while searching for the remains of U.S. soldiers—which we are directly responsible for and are involved in—we may help Vietnamese families find the remains of their sons and brothers. And we hope that all MIA cases will be accounted for and that U.S. expertise and technology may be mobilized to solve the Vietnamese MIA issue.

[Correspondent] As an American Vietnam war veteran, and as a supporter of improved U.S.-Vietnamese relations and an advocate of lifting the embargo, could you give us your opinion about prospects for the normalization of relations between the two countries and for the U.S. lifting its embargo against Vietnam?

[Kerry] I have been speaking publicly for a long time, both in the U.S. Senate and other places, in favor of actions to lift the embargo, or at least, to lift it partially. I myself want to see the embargo lifted totally and will continue to work in this direction. I think that the embargo policy is a bad and wrong move. Senator Murkowski from Alaska and I have introduced a bill before the Senate to lift the embargo and this bill has been approved by a 17-1 vote. The lifting of the embargo will help the United States and Vietnam solve the American POW and MIA issue and this will have a positive impact on the search for a solution to other problems. I believe that Vietnam's cooperation will be useful toward accelerating the process and I hope for its success.

[Correspondent] Could you give us your impression of your visit to Vietnam?

[Kerry] As far as I can see, the Vietnamese people are very hospitable. They have expressed their ardent desire to establish relations with the United States. What I have been very impressed with is that the Vietnamese country is very beautiful. This is a very scenic spot. Despite the fact that I was here during the war, I still have a strong feeling about the possibility of building fine relations between the United States and Vietnam. We can be friends. I see there is a possibility for the Vietnamese people to develop and participate in various activities of the world community as soon as our relations develop.

VNA Cites Kerry Views

BK1009072791 Hanoi VNA in English 0705 GMT 10 Sep 91

[Text] Hanoi VNA Sept. 10—On September [date indistinct], back from a visit to Vietnam, Senator John Kerry, chairman of the U.S. Senate Select Committee on MIA/POW Issue, told a press conference in Boston that he had seen a significant breakthrough which might help solve the MIA issue in Southeast Asia.

Senator J. Kerry added that he had met with Vietnamese officials and that they had shown their readiness and determination to solve this problem.

He further said that the Vietnamese Government was willing to create favourable conditions for the American side to travel and carry out investigations and interviews in Vietnam in connection with the MIA issue.

Foreign Minister Sends Message to Baltic States

BK1009081791 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 9 Sep 91

[Text] Vietnamese Foreign Minister Nguyen Manh Cam on 9 September sent messages to the foreign ministers of the Republics of Lithuania, Latvia, and Estonia informing them of the Vietnamese Government's decision to recognize the independence of these states as well as its readiness to establish diplomatic relations with them.

Activities Held To Celebrate DPRK National Day

Leaders Send Greetings to DPRK

BK0909083491 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 8 Sep 91

[Text] On the 43th DPRK National Day (9 September 1991), Do Muoi, general secretary of the Central Committee of the Communist Party of Vietnam and Vo Chi Cong, chairman of the SRV Council of State sent greetings to Kim Il-song, general secretary of the Korean Workers Party and DPRK President.

On this occasion, Vo Van Kiet, chairman of the SRV Council of Ministers sent greetings to DPRK Premier Yon Hyong-muk.

Le Quang Dao, chaiman of the SRV National Assembly and Nguyen Manh Cam, minister of foreign affairs also sent greetings to Yang Hyong-sop, chairman of the DPRK Standing Committee of the Supreme People's Assembly and Kim Yong-nam, DPRK minister of foreign affairs.

DPRK Envoy Hosts Reception

BK0709153191 Hanoi VNA in English 1443 GMT 7 Sep 91

[Text] Hanoi VNA Sept. 7—Ambassador Yi Hong gave a reception here this evening on the 43rd National Day of the Democratic People's Republic of Korea (Sept. 9).

Among his Vietnamese guests were Pham The Duyet, Politburo member of the communist party Central Committee; Mrs. Nguyen Thi Dinh, vice president of the State Council; Nguyen Khanh, vice chairman of the Council of Ministers; Nguyen Dy Nien, deputy foreign minister; and Trinh Ngoc Thai, deputy head of the party external relations committee.

Toasts were proposed for the further consolidation and development of the friendship and cooperation between the two peoples and for peace, stability, and cooperation in the region.

Hai Hung Mass Meeting Held

BK0909162191 Hanoi VNA in English 1519 GMT 9 Sep 91

[Text] Hanoi VNA Sept. 9—A mass meeting was held at Hai Hung Province (some 50 km east of Hanoi) jointly by the provincial people's committee, the Vietnam-Democratic People's Republic of Korea Friendship Association and the Vietnam-DPRK Mulberry and Silkworms Enterprise to mark the DPRK's 43rd National Day (September 9).

Among those present at the meeting were Nguyen Du, deputy secretary of the party committee and chairman of the people's committee of the province, Prof. Mai Huu So, vice president of the Vietnam-DPRK Friendship Association, and Yi Hong, DPRK ambassador to Vietnam.

In his commenmorative speech, Pham Vien Tuan, president of the managerial council of the said enterprise, hailed the brilliant achievements recorded by the Korean communists and people in their hard and protracted revolutionary struggle for independence and freedom.

He also laid stress on the friendship between the two parties and peoples and on the initial results of the enterprise.

For his part, Ambassador Yi Hong praised the longstanding solidarity between the two peoples and Vietnam's achievements in its renovation. He expressed his belief that under the clearsighted [leadership] of the CPV the Vietnamese people will succeed in their national construction.

On this occasion, a chapter of the Vietnam-DPRK Friendship Association was founded at the enterprise with Nguyen Trong Nhuong, deputy director general of the enterprise, as its president.

Japan-Vietnam Cultural Relations Promoted

BK0709154191 Hanoi VNA in English 1446 GMT 7 Sep 91

[Text] Hanoi VNA September 7—"The establishment of the Japan-Vietnam Cultural Exchange Association will help promote the mutual understanding and friendship between the two peoples," said Suji Ryotaro, secretary general of the association, at a press conference in Tokyo on Sept. 4. He was freshly back from Vietnam where he signed an agreement on the founding of the association.

Present at the press conference were, among others, Fukuda and Takeshita, former prime minsiters; Ozuchi Keizo, secretary general of the Liberal Democratic Party; and the Vietnamese charge d'affaires in Japan.

Speakers at the gathering expressed their support for the association and its programme and their hope that the association's activities would help promote mutual understanding between the peoples of Japan and Vietnam.

European Community Holds Seminar in Hanoi

BK0709114191 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 6 Sep 91

[Text] On the initiative of the European Community ambassador to Bangkok concurrently EC ambassador to Vietnam, the EC delegation coordinated with the Vietnamese Foreign Ministry and today held a seminar on information in Hanoi using the themes: objective and operational mechanism of the EC, current challenges to the EC, and the EC's foreign relations with developing countries.

Attending the seminar on the Vietnamese side were Assistant to the Foreign Minister Dang Nghiem Bai; representatives of the State Planning Commission and the State Commission for Cooperation and Investment; and representatives of the Ministries of Commerce, Tourism, and Heavy Industry as well as the Ministry of Labor, War Invalids, and Social Welfare. On the EC side were the Bangkok-based EC delegation led by Ambassador (Albertman), representatives of the embassies of the United Kingdom, France, Italy, and Turkey, and of the Hanoi-based EC office in charge of repatriation and reintegration.

International Institute of Commerce Team Visits

BK0809085491 Hanoi Voice of Vietnam Network in Vietnamese 0500 GMT 7 Sep 91

[Text] On 6 September, Nguyen Van Bon, deputy minister of commerce and tourism, received and worked with the visiting Paris-based International Institute of Commerce led by Mr. (Simvan Deques).

At their working session, Deputy Minister Nguyen Van Bon and Mr. (Simvan Deques) discussed orientations, potentials, and measures aimed at strengthening Vietnamese-French cooperation in training Vietnamese economic management cadres in general, and in forging management cadres for the commerce and tourism sectors in particular.

Since their arrival in Hanoi on 31 August, the delegation has visited and held working sessions with several agencies responsible for training economic management cadres in Vietnam.

Car Assembly Plant Launched With Philippines

BK0709114691 Hong Kong AFP in English 1057 GMT 7 Sep 91

[Text] Hanoi, Sept 7 (AFP)—Vietnam has launched a car assembly plant, called Vietnam Motors Corp., with two Philippine firms, the HANOI MOI said Saturday.

The joint venture links Vietnam's Hoa Binh car plant and its production and import-export company for transport, communications and post with Philippine firms, the Columbian Motors Corp., and Imex Pacific Inc., the newspaper said.

It is Vietnam's second car assembly joint venture, following the July launch of the Mekong Corp. with Japanese and South Korean partners.

The new project has total capital estimated at 33 million dollars, with fixed capital of 10 million dollars, the daily said, adding that the partners are putting up 10 million dollars, of which 70 percent will be from the Philippine firms.

The joint venture will "assemble and manufacture" cars for the domestic and export markets, and import chassis, equipment and parts from "countries with an advanced automobile industry," it said without elaborating.

One of the joint venture managers, Nguyen Xuan Thinh, who is director of the Hoa Binh factory, said the new concern expected in its first year to produce 1,000 vehicles, including four-seater cars, minibuses, buses and trucks, the paper reported.

THUONG MAI Reviews Foreign Investment

BK0909053791 Hanoi Voice of Vietnam Network in Vietnamese 1000 GMT 8 Sep 91

[From Press Review Program]

[Text] This week's THUONG MAI magazine carries an article about the investment activities in Vietnam.

The article reviews some initial results after the implementation of the government's open-door policy allowing foreign businessmen directly invest in Vietnam.

The article also brings up some issues which need to be solved urgently such as: some regulations are too ambiguous causing difficulties for investors to calculate their finance effectiveness and causing embarrassments; the number of projects receiving tax concessions is too little and that is not in conformity with the encouragement of the law concerned; the economic leverage is not used properly to adjust investment areas; and some government offices do not correctly understand the projects and investment policies thus they do not create favorable conditions to help the investment.

Some serious foreign investors recently commented that Vietnam's investment law is open and attractive, but the investment procedure in Vietnam is too complicated and difficult. The Vietnam's investment law is serious, but its implementation is too casual.

What do we have to say and do in that situation when investment in other countries has been working well?

Australia

Hawke on 'Constructively' Engaging Bush on Visit

BK1009040291 Melbourne Radio Australia in English 0300 GMT 10 Sep 91

[Text] Australia's prime minister, Bob Hawke, has called on the country's grain industry to constructively engage President Bush when he visits Australia in December. The prime minister made the call during an address to a major Grains Council Conference in Canberra.

Australian wheat farmers have been angered over American wheat subsidy policies and its trade war with Europe. Mr. Hawke said although the focus of the president's Australian visit will be much wider than farm sector issues, he wants to learn more about those issues.

The prime minister said the European subsidies cost Australia four times as much as American subsidies and he had ruled out Australia's joining the subsidy war.

Minister To Protest EC Wheat Subsidy in Europe

BK1009080891 Hong Kong AFP in English 0756 GMT 10 Sep 91

[By Michael Collins]

[Text] Sydney, Sept 10 (AFP)—Australian wheat farmers face their worst crop in a decade and the lowest real prices in 50 years as drought and the European-U.S. trade war ravage their industry.

A growers' co-operative, the Australian Wheat Board (AWB), Tuesday forecast that some of the nation's 45,000 wheat farmers would be forced off the land.

In response to the crisis in one of the nation's top five export earners, Trade Minister Neil Blewett said Tuesday he would lead a team to Europe next month to protest against European Community (EC) export subsidies.

The Australian Bureau of Agricultural and Resource Economics forecast a 11.3 million tonne wheat harvest in 1991-92, which would be the smallest result since the drought-affected crop of 1982-83 of 8.3 million tonnes.

The AWB has forecast an even lower crop of 10.6 million tonnes, compared with an average of 15.5 million tonnes in the past decade and 15.7 million tonnes last year.

Alex Nicol, AWB Spokesman, said that the industry expected to earn only 130 dollars (103 U.S. dollars) a tonne this year.

This was 10 dollars a tonne (7.90 U.S.) above last year's result which was the lowest real return in 50 years.

"It's still disaster," Nicol told AFP [AGENCE FRANCE PRESSE].

"It going up 10 dollars principally because we will have a smaller crop this year."

Two years ago farmers earned on average 195 dollars (154 U.S.) a tonne.

He said the smaller crop would prevent Australia competing against the United States or European powers for the Soviet Union or fringe markets.

"We will have to concentrate on the other end of the market which will pay for quality," he said, referring to the Middle East and Asia.

Wheat export earnings were expected to tumble by a third to about one billion dollars (790 million U.S.) this financial year, Nicol said.

AWB Chairman Clinton Condon said the drought and the international price subsidies war had wounded the Australian wheat industry.

The drought was preventing many farmers planting a crop and could force some out of the industry, he said.

"The longer this continues and the rougher the drought gets ... it will probably mean that some farmers who would have survived if they'd had a crop, now they don't have a crop they won't survive," he said on radio.

Condon said the expected higher price per tonne only "masks the despair that is out there."

Blewett told a conference in Canberra that debate within the EC on agricultural reform—the key to the success or failure of the Uruguay Round of the GATT Talks—would start soon.

"The Prime Minister (Bob Hawke) has asked me to lead a bi-partisan delegation to Europe next month to express Australia's concerns at the impact of the EC export subsidies practices on Australian farmers," Blewett said.

Blewett launched a booklet to be distributed through Australian embassies, outlining the cost to EC consumers and taxpayers of the massive subsidies of the Common Agricultural Policy (CAP).

The pamphlet demonstrates that the CAP not only grossly distorts world trade, but also massively inflates the price EC consumers are charged for farm produce and the amount of tax they have to pay," Blewett said.

Foreign Delegation Accuses PRC of Rights Abuse

BK0909075091 Hong Kong AFP in English 0746 GMT 9 Sep 91

[Text] Canberra, Sept 9 (AFP)—The first foreign delegation to China since the suppression of demonstrators in Beijing two years ago confirmed human rights abuses were continuing, the Australian Government said Monday.

Foreign Minister Gareth Evans presented to parliament the group's report which slammed Beijing's treatment of dissidents, its abuses in Tibet, the use of capital punishment and enforced family planning policies.

Evans said that the delegation which went at the invitation of Beijing for two weeks examined the Chinese legal, judicial and penal systems.

It listened to Chinese officials claim that the state or ruling party can interpret the will of the people and determine the collective good at the expense of the individual.

"The delegation has concluded that these arguments do not stack up against the principles enunciated in the universal declaration of human rights," Evans said.

"The Australian Government ... shares the concerns expressed by the delegation over the human rights situation in Tibet," Evans said.

"I am conscious of the controversy and the scope for abuse in relation to China's family planning policies, and again I share the delegation's concerns over some aspects of the implementation of those policies."

"The government will ... continue to urge China to respect internationally-accepted standards of human rights," he said.

Evans said that in accepting the visit and engaging in intensive dialogue with the delegation, "the Chinese Government had accepted that human rights had a legitimate place on the international agenda."

It showed that Beijing accepted that such interaction "was a proper subject for discourse in its bilateral relationship."

"This is a major step forward from China's defence of its actions against the Tiananmen demonstrators, when it argued that its forceful response was purely an internal affair, and as such not subject to international scrutiny," he said.

"The delegation's visit will contribute to a better understanding on the part of the Chinese authorities that there are alternative approaches to human rights issues and that there are advantages to adopting a more open and humane attitude."

Evans, referring to cases of prisoners of conscience, said: "Australia will continue to take a close interest in these areas.

"We will closely monitor the fate of those charged with various forms of political dissent, and will continue to press for improvements in human rights in China, including Tibet."

Evans, Schacht Comment

BK0909130291 Melbourne Radio Australia in English 0803 GMT 9 Sep 91

[From the "International Report" program]

[Text] Australia's human rights delegation to China has issued a wide-ranging critique of the way human rights have been subordinated to the interests of the Communist Party. The delegation's report of a visit to China in July expressed concern of many aspects of China's legal system. Tabling the report, Australia's foreign minister, Senator Evans, said the unprecedented dialogue achieved during the 12-day visit made an important contribution to the human rights climate. Graeme Dobell reports.

[Begin recording] [Dobell] The report said the Chinese Communist Party saw itself as the arbiter of what is good for the people and the judge of where civil or political activity was a threat to state security. The delegation expressed concern at the use of administrative detention, the lack of a presumption of innocence in the courts, and deplored the frequent, often inconsistent, use of the death penalty. Capital punishment was used for more than 50 offenses, ranging from murder to economic crimes. The foreign minister, Senator Evans, said that in allowing the delegation to come, China had taken a major step from its defense of its actions against the Tiananmen demonstrators when Beijing argued that the forceful response was purely an internal affair.

[Evans] The delegation's report exposed some details of Chinese views on the importance of economic rights and the place of the individual in Chinese society. It examines the question of the state's right to restrict political and other fundamental freedoms and the proposition that the state or ruling party can interpret the role of the people and determine the collective goal at the expense of the individual. The delegation concluded that these arguments do not back up against the principles enunciated in the Universal Declaration of Human Rights. I share that view. I believe not only that civil and political rights are as equally important as economic, social, and cultural rights but also that the practice of individual freedom within all these areas, whether physical and intellectual mobility and flexibility (?there evolve), is in fact more likely than not to stimulate economic growth. I see no incompatibility between China's modernization goals and granting greater individual freedom to its citizens.

[Dobell] The report recomended that another human rights delegation should visit China next year to continue the dialogue. The delegation leader, Senator Chris Schacht.

[Schacht] China's legal system, in its concept, in its structure, and its operation is very deficient from any definition that we would have in a country such as Australia. Again, I think it was Professor [name indistinct] who said that the Chinese legal system and its operation is approximately where Western Europe was a couple of hundred years ago. [words indistinct] of the appeal of [word indistinct] process are just not in the system. I think one of the most interesting figures we received from a defense lawyer—it should be noted that there have only been defense lawyers in the Chinese legal system for the last decade—a defense lawyer in Shanghai said there were 16,000 prosecutions last year in Shanghai; there were only 23 acquittals—a success rate for the prosecution that we would find unbelievable if it was applied in Australia. [end recording]

Kurdish Hostages in Turkey Reportedly Well

BK0809042091 Hong Kong AFP in English 0402 GMT 8 Sep 91

[Text] Sydney, Sept 8 (AFP)—Australian officials were Sunday investigating a report that five men believed to have been kidnapped by Kurdish rebels in Turkey were alive and well.

Melbourne newspaper THE AGE reported Saturday that Souman Gelanizade, president of the Australian-Kurdish Friendship and Cultural Association, was in Turkey and had made contact with the Kurdish Freedom Fighters (Teshmargia).

Gelanizade's wife was quoted by THE AGE as saying: "My husband told me all the hostages are in good condition and should be released soon. A Department of Foreign Affairs spokeswoman said department officers "are investigating the report" but declined to comment further.

Gelanizade's wife could not be contacted Sunday.

The Tesmargia is believed to be holding five Western hostages—three Americans, an Australian and a Briton—who were abducted at gunpoint August 30.

Roberts, 59, and the four others were searching for the biblical resting place of Noah's ark at Mount Ararat in eastern Turkey.

The son of Australian archeologist Allen Roberts, one of the five, told THE AGE he was skeptical about Gelanizade's claims.

Chris Roberts said he would not believe his father was safe until the Australian Government officially confirmed the report.

Bank Cuts Rates To Aid Economic Recovery

BK0309011091 Hong Kong AFP in English 0036 GMT 3 Sep 91

[Text] Sydney, Sept 3 (AFP)—The Reserve (Central) Bank of Australia (RBA) cut cash interest rates Tuesday by one percentage point to 9.5 percent to help the forecast economic recovery.

The Reserve Bank said in a statement that it cut cash rates to maintain the lower inflationary trend "while seeking to minimise the costs in terms of economic activity and employment. "Since the last rate reduction of one percentage point on May 16, there has been further evidence of declining inflation and inflationary expectations," the bank said in a statement. "Other economic data available since that meeting also indicates that economic activity generally remained relatively subdued," it said.

The easing is the ninth since cash interest rates—the rates borrowers pay for overnight funds—peaked at about 18.5 percent in January 1990.

The decision to cut was made at the monthly Reserve Bank meeting earlier Tuesday.

"Continued weakness in money and financial aggregates suggests the demand for credit for business expansion remains low," the bank said. "Business investment and new plant and equipment, in particular, is declining."

The bank said: "The latest reduction will help to improve business confidence and cash flows and contribute to the forecast modest recovery in output as the year progresses."

In Canberra, Treasurer John Kerin said the cut in interest rates should be passed on quickly to business.

"This should boost confidence in the business sector and have a positive impact on corporate cash flow, particularly for businesses with significant gearing," Kerin said.

"Despite the earlier easing in rates, the growth in credit remains very low and real interest rates remain high," he said. "There has been a further decline in inflation and inflationary expectations since the last adjustment in interest rates. Inflationary expectations are now at their lowest level in two decades."

Australia's annual inflation fell to a 21-year low of 3.4 percent in the year to June 30.

Possibility of Mexico's APEC Membership Viewed

BK0509093691 Hong Kong AFP in English 0905 GMT 5 Sep 91

[Text] Canberra, Sept 5 (AFP)—Mexico and other Latin American countries were not likely to be offered membership of the Asia Pacific Economic Co-operation (APEC) group in the near future, Foreign Minister Gareth Evans said Thursday.

Evans told the Senate that the possible entry of the Pacific Rim Latin American nations to the APEC would be the "subject of further discussion and consideration.

"I would not imagine that any such additions to the membership should be regarded as imminent," he said.

APEC was set up in Canberra in 1989 to promote trade among its 12 members—Australia, New Zealand, United States, Canada, Japan, South Korea, Philippines, Singapore, Malaysia, Brunei, Thailand Indonesia.

Fiji

Prime Minister Defends Oil Import Decision

BK3008070391 Hong Kong AFP in English 0637 GMT 30 Aug 91

[Text] Suva, Aug 30 (AFP)—Fiji's controversial decision to turn to Malaysia as its main supplier of oil was justified no matter how disruptive it might be, Prime Minister Ratu Sir Kamisese Mara said Friday.

He said the effects of the military coups and the trade boycott by Australia, New Zealand and India and the search for development options had encouraged the government to examine urgently its energy source.

Addressing delegates at a Pacific energy ministers meeting, Ratu Mara said the new strategy would ensure better control of Fiji's principal energy source.

Under the new arrangements, which followed offers to sell crude oil by some South-east Asian countries, Fiji has agreed to import 10,000 barrels of oil a day from Malaysia via Singapore refineries.

Fiji is the distribution point for petroleum products to other island countries, but some, including Western Samoa, Tuvalu, Vanuatu and Niue, have expressed concern that the Fiji deal would mean higher prices and lower quality products.

Ratu Mara said the change from the traditional supply of petroleum products "as a consequence of a legitimate desire to play a greater part in the petroleum industry will naturally being a few anxious moments, some reservations and some disruptions.

He was conscious of concerns about the possible implications, but said the arguments for the new arrangements were "compelling", however costly, unpleasant and disruptive the deal might be.

He said oil company representatives were not the only ones to question the initiative, but added that Fiji was still keen to work with the oil companies.

"Even a World Bank review mission on the energy sector of Fiji did not spare itself in the general campaign to discredit the initiative."

But the meeting, he said, had not been called to justify Fiji's position. Rather it had been called to explain the thinking behind it.

Vanuatu

New Prime Minister Appoints Cabinet 7 Sep

BK0709073091 Melbourne Radio Australia in English 0500 GMT 7 Sep 91

[Text] The Vanuatu prime minister, Donald Kalpokas, has appointed a new cabinet which includes some of the ministers sacked by the country's former leader, Father Walter Lini. The appointment of the cabinet came less than 24 hours after Father Lini was ousted as prime minister after losing a no-confidence vote in parliament.

Mr. Kalpokas pledged to promote national and economic development and he called on community leaders to cooperate in maintaining peace and unity. Mr. Kalpokas, who was education and foreign minister in the Lini administration until being sacked earlier this year, is to hold the judicial services and public services posts in the new government. Edward Natapei was reappointed as foreign minister, Sela Molisa returned to the finance portfolio, Iolu Abbil to home affairs, Jack Hopa to agriculture, and Neto Thilia to health. The education portfolio has gone to former trade minister Harold Qualao. Two new faces in the government are (Thalo Nieu) who has been given the transport and public works portfolio and (Daniel Nato) who has been made minister for land.

Discusses Administration's Priorities

BK0809094091 Melbourne Radio Australia in English 0803 GMT 8 Sep 91

[From the "International Report" program]

[Text] A 48-year-old former Presbyterian school teacher, Mr. Donald Kalpokas was a founding member of the Vanua'aku party. Disenchanted with Father Walter Lini's authoritarian group, he has since April led a breakaway group of the ruling party in parliament. Following his appointment as the new prime minister of Vanuatu, Michael O'Reagan asked Mr. Kalpokas what the priorities would be for his new administration.

[Begin recording] [Kalpokas] We definitely think that our priority now is to get confidence back to the country and get it peacefully and democratically on the process of development where some democratic process was beginning to, you know, be a lower priority in as far as decision makings were concerned, and this would be our priority.

[O'Reagan] Father Lini was also very strong in his support for independence struggles in the South Pacific, say for example in New Caledonia, will your administration be continuing that interest?

[Kalpokas] It was not Father Lini's own interest; it was the party policy. We, as a party believe in our liberation movement and that everybody who is struggling for independence they should have their prize given to them.

[O'Reagan] There has been concern obviously that Father Walter Lini had begun to act in an autocratic and dictatorial manner. Had you had any discussions or conversations with him to raise those objections before he was removed from office?

[Kalpokas] Yes, we have on several occasions, spoke and written to him about this and asked him to convene or come to the meeting and that is when he started to call, you know, and I heard it from the party [word indistinct] without consulting the party executive and even the cabinet.

[O'Reagan] If we turn momentarily to Australia, how do you see the relationship between Vanuatu and Australia? Would it continue in much the same way as it has under Father Walter Lini?

[Kalpokas] Yes, even maybe more. I think there is a lot that Australia and Vanuatu could do in regards to promoting, I say for example business investment. I think Australia could do a lot more in Vanuatu and to promote a lot more business facilities [end recording]